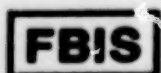


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15 MAY 1986

## **Southeast Asia Report**



**FOREIGN BROADCAST INFORMATION SERVICE**

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15 MAY 1986

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## BRIEFS

**NEW ZEALAND DEFENSE TALKS**--Australia and New Zealand have reaffirmed their close defense relationship. The defense minister, Mr Beazley, and his New Zealand counterpart, Mr O'Flynn, have said in a joint statement after their annual bilateral talks that there was a firm foundation for the further development of the relationship. The ministers said the two countries continued to differ in their policies on nuclear ship visits, but this did not affect their commitment to each other's defense. Mr Beazley said Australia's overall objective was to maintain the ANZUS defense alliance, at least in a suspended form. The ministers also expressed concern at the Soviet Union's new presence in the Pacific through its fisheries activities. [Text] [Melbourne Overseas Service in English 0430 GMT 1 May 86 BK] /9738

**TALKS WITH INDONESIA DEFERRED**--Indonesia has deferred scheduled talks with Australia on the seabed resources of the Timor Sea. The Department of Foreign Affairs in Canberra said it did not believe that the deferral of the talks was directly connected with the current tension between Australia and Indonesia. The talks were to take place in Jakarta starting on 7 May. The foreign affairs spokesman said Indonesia had advised that these negotiations were too close to the Muslim period of Ramadan. It said it was hoped the talks could be rescheduled for June or July. Indonesian officials have told Canberra there were also technical problems in proceeding with the eighth round of the talks which deal with the exploitation of the seabed between northern Australia and the island of Timor. Australia and Indonesia have agreed in principle to create a joint development zone in the area, but officials say much more work needs to be done on the area of the zone and also how it will operate. They predict that a final agreement could be some years away. [Text] [Melbourne Overseas Service in English 0430 GMT 30 Apr 86 BK] /9738

**PROTESTORS AT U.S. BASE**--Police say 15 people have been arrested at the American communications base at Nurrungar in South Australia's far north. Four women were arrested at dawn and since then another 11 people have been taken into custody. Those arrested were among a group of about 40 cyclists traveling around Australia on an antinuclear protest. Police say some of the protesters entered the base illegally and have been charged with trespass. [Text] [Melbourne Overseas Service in English 0830 GMT 30 Apr 86 BK] /9738



**EXPORT DUTIES TO BE LIFTED**--Most export products produced by South Pacific Forum countries will have duty-free access to Australian markets from 1 July --6 months earlier than planned. Australia's decision to allow the unrestricted access is announced by the prime minister, Mr Hawke, during the South Pacific Forum meeting in Nairongga last August. The trade minister, Mr Dawkins, said the government had brought the date forward in an effort to further cut the trade imbalance between Australia and the Pacific states. Mr Dawkins made the announcement during the opening today of Fiji's trade exhibition in Sydney. Radio Australia's South Pacific correspondent, Trevor Watson, says that although duties have been lifted on all foreign exports to Australia, some, including steel products, textiles, sugar, and footwear will still be subject to quota restrictions. Fiji's Prime Minister Ratu Sir Kamisese Mara, who officially opened the Fiji trade exhibition, welcomed the Australian move. [Text] [Melbourne Overseas Service in English 0830 GMT 1 May 86 BK] /9738

**NORTH YEMEN WHEAT SALE**--The minister for primary industry, Mr Kerin, has said the recent sale of subsidized American wheat to North Yemen would not affect the level of Australian wheat export to the country. Mr Kerin told parliament that the Yemen Arab Republic had opened a new flour mill which would allow it to increase its imports of wheat by up to 100,000 tons a year. Last week's deal to buy 50,000 tons of subsidized wheat from the United States represented part of this expansion of the market. [Excerpt] [Melbourne Overseas Service in English 0130 GMT 30 Apr 86 BK] /9738

CSO: 4200/979

## VOPB AIRS COMBAT NEWS FROM MONG YAWNG, KAREN STATE

BK241257 (Clandestine) Voice of the People of Burma in Burmese 1200 GMT  
24 Apr 86

["Combat News"]

/Text/ On 12 March 1985, the People's Army ambushed a unit from the enemy's 1st Chin Rifles Regiment near Mong Yawng killing seven enemy soldiers and wounding four others. Captured from the enemy were 4 G-2's, 2 G-4's, and a carbine--a total of 7 weapons; 5 hand grenades, 2 2-inch mortar shells, over 500 rounds of ammunition, and other military supplies.

Battle report of the Karen National Liberation Army /KNLA/:

In the last week of March, the military government which is mercilessly persecuting and massacring the people of various national groups, sent troops from the mercenary 66th Light Infantry Division into the (Naungchon) village tract, Hlaingbwe township in Karen State, and started an offensive.

According to incomplete reports, as of 1 April, 20 mercenary soldiers had been killed and 86 others wounded in attacks by KNLA units.

Between 11 and 22 March 1986, units from the enemy's 7th and 9th Light Infantry Regiments and the 32d and 62d Infantry Regiments launched an offensive around the (Panwekwei) and (Metakawtha) regions in the jurisdiction of the KNLA's 6th Brigade. As a result of counterattacks by KNLA units, the enemy, according to incomplete reports, suffered 180 killed or wounded.

Furthermore, the KNLA captured more than 2,000 assorted shells, including the 40-mm, 60-mm, bazooka, and 79-mm shells, and a large quantity of other military supplies.

/12228

CSO: 4211/47

# POLICIES ISSUED ON TRANSMIGRATION PROGRAM

## Provisions for Cooperation, Coordination

Jakarta KOMPAS in Indonesian 5 Mar 86 pp 1, 8

[Text] Jakarta, KOMPAS--The president has instructed nine ministers, the governor of Bank Indonesia, and the chairman of the BKPM (Capital Investment Coordination Board) to maintain the best possible cooperation and coordination in the planning and execution of programs related to the development of transmigration-related estate agriculture of the PIR (smallholder nuclear enterprise) type.

This was included in INPRES [Presidential Instruction] 1 of 1986, issued on 3 March, on the development of estates of the PIR-TRANS [transmigration] type. The nine ministers referred to are the minister of state for national development planning/chairman of BAPPENAS [National Development Planning Board], the minister of agriculture, the minister of transmigration, the minister of manpower, the minister of home affairs, the minister of finance, the minister of forestry, the minister of cooperatives, and the junior minister for raising perennial crop production.

Included in provisions for cooperation and coordination is the statement that the minister of agriculture will execute, stabilize, and intensify efforts for development of BIR-TRANS estates. The junior minister for raising perennial crop production will monitor, and coordinate such development.

For the implementation of the INPRES, the minister of agriculture will form a coordinating team headed by the junior minister for raising perennial crop production. Members will be officials from the department of transmigration and other departments/organizations whose spheres of duty and responsibility relate to the development of PIR-TRANS estates.

Coordination of regional management will be performed by governors as heads of level I regions and by regents as heads of level II regions, with consideration being given to guidance from the minister of agriculture.

## Financing

Financing for the development of a nuclear estate will be the responsibility of the nuclear enterprise itself. The financing of a plasma estate will be arranged by the nuclear enterprise but will be later assumed by a government

bank and by other banks approved by Bank Indonesia when the ownership of the plasma estate is transferred to participating farmers.

Compensation for the cost of developing a plasma estate from preparation until the moment of transfer, including interest, will be calculated based on unit cost, overhead cost, and a management fee of 15 percent. The amount will be set by the government and may be reviewed each year.

Initially, the unit cost interest will be 16 percent and may be reviewed by the government as development warrants.

The preparation of land for food crops, land for yards, housing for participants, drinking water supplies, support facilities, and settlements will be financed by the government through the department of transmigration. Financing for facilities and infrastructure will be handled by the government through technical departments (sectoral).

#### Program To Ease Resettlement

Jakarta KOMPAS in Indonesian 21 Mar 86 p 2

[Text] Jakarta, KOMPAS--The government has adopted a new policy on PIR (smallholder) transmigration, which may ease the burden for potential transmigrants. The new program will only require participants to repay loans on agricultural estate land of 2 hectares. Houses and fields surrounding them, which up to now have been provided under loans requiring repayment, will be provided free of charge in the future. Martono, minister of transmigration made this statement on 20 March in Jakarta.

At the ceremony for the signature of a joint letter of decision between the minister of information and the minister of transmigration, Martono declared that the new policy has been adopted because the PIR transmigration program has been considered lacking in consistency. He said: "The credit burden has been too great, with the result that many participants in the transmigration program have abandoned PIR resettlement areas and have fled back to their places of origin."

#### Run Away

He said that the former policy on PIR projects provided that participants were required to repay loans on investments in roads, housing, land surrounding the houses, and estate agricultural land in parcels of 2 hectares. He said that, "As a result, this program has not been achieved and has been neglected because the participants have not been able to repay the loans."

According to Martono, the new policy will no longer require participants to repay loans on housing, land surrounding houses, and roads, because these facilities will be provided free of charge. However, whereas previously the land provided around the houses amounted to 1 hectare, the new policy provides that only 1/2 of a hectare will be provided.

According to Martono, under the old policy, the whole PIR program was administered by state-owned companies or state-owned agricultural estates. However, under the new policy, the whole program will be handled by eight cabinet ministers, with the minister of agriculture primarily responsible and the assistant minister of agriculture for commercial crops controlling it on a daily basis.

Meanwhile, the form of cooperation agreed upon between the ministers of information and transmigration will involve information programs in the areas from which transmigrants come, as well as transmigration resettlement areas. In this connection the Department of Transmigration has agreed to provide physical facilities in the form of information centers and housing for an official of the Department of Information. At the same time the Department of Information will provide an information specialist, together with information facilities and equipment.

The objective of the cooperation agreed upon between Minister of Transmigration Martono and Minister of Information Harmoko is to encourage the participation of the community in information on development as well as the development of information, so that the new society which we want can be brought into being.

#### State Employees

On this occasion the minister of transmigration also announced that the government will provide an opportunity for state employees to be eligible for resettlement under the transmigration program. As a first step in this direction an opportunity to participate in the program will be offered to employees of the Department of Transmigration who are reaching retirement age.

He declared that the policy toward state employees as transmigrants is the same as that in effect for general transmigrants. Apart from an allocation of 2 hectares of commercial farm land, a house, and land surrounding it, state employees eligible for resettlement will be given a cost of living allowance for 1 year after they arrive at the resettlement site.

Meanwhile, the regulations in effect for information officials will be the same as those for government officials in the transmigration area. In this connection they will only receive the allocation of housing and office space. They will not receive an allocation of land, as in the case of general transmigrants.

It is hoped that information specialists, as in the case of paramedics, teachers, and so forth, will be able to adapt their living styles to those of the transmigrants. He said: "The role of these officials as leaders in the transmigration areas will be particularly decisive."

In addition, Martono also hoped that there will be more university teachers who participate in the transmigration program. He said that some time ago no less than 240 teachers from the University of Gadjah Mada were resettled under the transmigration program in order to work at the University of Bengkulu.

5170

CSO: 4213/128



SINOLOGIST ON OVERSEAS-CHINESE INVESTMENTS IN PRC

Jakarta SINAR HARAPAN in Indonesian 4 Mar 86 pp 1, 12

[Text] Indonesia does not have to worry about the PRC's policy of inviting overseas-Chinese capitalists to invest money in their ancestral country. "We do not have to be afraid of that, because that policy is based purely on economic considerations. China has great need of capital and of educated personnel."

Dr A. Dahana, a sinologist at the University of Indonesia, who finished his doctorate at the University of Hawaii in the United States in 1966, made these statements. This scientist and newspaper columnist added that the percentage of Chinese capitalists in Southeast Asia, except for Singapore, is very small.

In a conversation with Derek Manangka, a reporter for SINAR HARAPAN, at the East-West Center in Honolulu recently, Dahana does not think these PRC policies have any intentions of creating ties between the overseas Chinese and those on the mainland of China.

Dr Dahana believes the younger generation of Chinese in Indonesia in particular already thinks like those Asians in Hawaii who have become American citizens. Their faces and physiques are still Asian, but they can no longer use the language of their ancestors. Therefore, Dahana thinks, this group can no longer be under suspicion.

"There is a bad effect if a minority keeps on being under suspicion. A minority which is continually under suspicion or suppressed is always going to look for something to hang on to, either inside the country or outside it," Dahana added.

Modernization

Speaking about China's open door policy, Dahana believes that that is not something new for that country. The idea of modernizing China has been around since 1868. Basically, China wants to imitate Japan and the West. However, cultural problems and other obstacles have hampered modernization.



This idea began to appear again in 1972, during the rapprochement between the United States and the PRC.

When asked about the fate of this open door policy, Dahana leans towards the view which says that the policy will continue even after Deng Xiaoping is gone.

Why? First, even now Deng Xiaoping has developed cadres which can carry on independent open-door policies. Second, there are already many Chinese technocrats who have graduated from Western schools, have returned to China and then joined the party.

Recently for the first time there were student demonstrations in Beijing against the presence of Japanese businessmen in the country.

Even though from one point of view Dahana sees this as an outburst from a group which is dissatisfied with Deng's open-door policy, from another point of view he does not view it as serious enough to change that policy.

#### The Communist Threat

On the threat of Chinese Communism Dahana said, "This is always a big question and only history can answer it." Even so, he noted, in the past few years the PRC has abandoned the coarse rhetoric formerly used by Communist countries.

He added that since Mao Zedong is no longer on the scene, PRC policies have stressed relations between governments: relations between the Communist Party and the Party in other countries have been broken.

Therefore, he said, what must be looked at is who rules or holds the reins.

Dahana's opinion about Indonesia's attitude toward the PRC, especially since diplomatic relations were frozen after the PKI [Communist Party of Indonesia] fomented the 1965 revolution in Indonesia, is that Indonesia should remain cautious but not be rigid or make up its mind in advance.

"At some point Indonesia must resume normal diplomatic relations with China, but I don't know when," said Dr A. Dahana.

9846

CSO: 4213/118

## INSPECTION PROBLEM THREATENS DIRECT TRADE WITH PRC

Jakarta SINAR HARAPAN in Indonesian 29 Mar 86 p 11

[Text] The smoothness of direct trade between Indonesia and the People's Republic of China is being threatened by the lack of certainty as to who is responsible for inspecting commodities imported from China. This is because the Societe de Generale de Surveillance (SGS), beginning April 1, 1986, is to inspect commodities imported from China at the port of Hong Kong.

According to SINAR HARAPAN sources in Jakarta on Wednesday 26 March, businessmen who are involved in trade between the two nations, are of the opinion that if this continues it means there is no longer direct trade anymore. "It is the same as returning to the previous method of trade which was through a third country," said the businessmen.

The above method is certain to add to the costs which must be expended, especially the freight cost. Since the signing of an agreement by the Indonesian Chamber of Commerce and Industry (Kadin) and the China Council for the Promotion of International Trade (CCPIT) in Singapore July 5, 1985, the problem of inspection of goods has been considered the most difficult aspect although various efforts have been made.

More than that the meeting of P.T. Sucofindo, and SGS with Chinese surveyor company, CCIC [China Import and Export Commodity Inspection Corporation], in Beijing on 10 March is considered to have failed to achieve what was hoped for as a realization of a visit by a PRC trade delegation to Jakarta led by the Vice Chairman of CCPIT, Guo Dongpo at the beginning of 1986.

## Further Discussion

As a result of the failure in Beijing, the Indonesian Kadin, led by Chairman Sukamdani and China Committee chief, H. M. Taha met with Trade Minister Rachmat Saleh last Friday 21 March. When questioned by SINAR HARAPAN after being received by the Chairman of the Capital Investment Coordinating Board, Ginandjar Kartasasmita, the next day Sukamdani said, "We only met briefly and asked for guidance."

Other Kadin sources told SINAR HARAPAN that a small Kadin delegation consisting of Dharyono Kertosastro, Chris Walean and members of the China Committee left April 1st for Beijing to meet with the CCPIT chairman and CCIC chairman to discuss the above issue.

Although it is looks difficult, minimal results are expected to be achieved. Experiences until now indicate that, in general, socialist countries object to accepting the presence of SGS for inspection of their goods.

"Whatever the results, we must continue to follow the guidelines of Presidential Instructions No 4 and No 9 of 1985 as a means of finding a way out of the above dilemma," said SINAR HARAPAN sources.

12836

CSO: 4213/129

## MUSLIM YOUTHS DECIDE TO JOIN GOLKAR EN MASSE

Jakarta HARIAN UMUM AB in Indonesian 26 Mar 86 p 5

[Text] All members of the NU youth wing, Gerakan Pemuda Ansor in Indramayu Regency, West Java, will channel their political aspirations through the ruling party Golkar in the 1987 General Election.

This decision was announced by Udi Maksud, chairman of the Indramayu Regency G.P. Ansor, to the Chairman of the Indramayu Golkar Advisors Board, Adang Suryana in a recent roll call which was attended by 1,000 G.P. Ansor members in the Kertasmaya townsquare.

Udi Maksud, in the name of the Indramayu G.P. Ansor membership, said that this channeling of political aspiration to Golkar means that all members of G.P. Ansor to a person declared they are no longer supporters of the United Development Party (PPP) in the 1987 Pemilu. Besides that the G.P. Ansor leadership has determined to have an active role in making a success of the 1987 Pemilu within the Golkar ranks.

The decision was announced after a meeting of leadership and membership of G.P. Ansor, based on mature thinking. At that time as many as 250 Muslim students and four Muslim teachers from the "Mahpudiatul" religious school in Cisempar, Cikeruh Sumedang district, stated their decision to join the Golkar ranks and their determination to make a success of the 1987 Pemilu.

The decision of the Muslim students and teachers was announced by A. Tohariji to the Chairman of the Regional Legislature and to the Golkar Executive Council in Sumedang Regency yesterday.

According to Tohariji the decision of the Muslim teachers and students was based on the success of development conducted under the leadership of the New Order which cannot be separated from the involvement of Golkar.

At the same time 600 transportation operators and driver's assistants at Sumedang announced their decision to join Golkar because Golkar is an organization which struggles for the interests of society in general, including themselves.

12836

CSO: 4213/129

IMAM SOEDARWO DISMISSES 'COMMUNIST' ALLEGATION

Jakarta KOMPAS in Indonesian 21 Mar 86 p 1

[Text] Jakarta, KOMPAS--There is an old-fashioned attitude and way in which people always support each other, forming groups to fight against an enemy. This attitude is not particularly oriented toward programs to achieve the common good. This difference is the cause of confusion in labor organizations in Indonesia at the present time. This confusion has taken the form of allegations accusing Imam Soedarwo, the new general chairman of the SPSI [All-Indonesian Workers Union], of being a former member of Partindo (Partai Indonesia, a pro-communist political party). Basically, this is a reflection of such "old-fashioned" attitudes.

This was stated by Imam Soedarwo, who was interviewed by a KOMPAS representative at Pondok Cabe on 20 March when he was attending a political education and leadership training course for representatives of 21 provincial councils of SPSI. According to the organizing committee of the course, representatives of five provincial councils were unable to attend for technical reasons and not because of differences of view. In the case of one other province, East Timor, the SPSI provincial council has not yet been chosen.

"Them"

Imam Soedarwo declared that the allegations raised by "them" showed that this group is desparate. And for that reason it would be better not to respond to them. He said: "Because basically they want the atmosphere to be messy and become increasingly disturbed."

He didn't know for sure who was behind this movement. However, according to him, the most important thing for all concerned is to become involved in a clear program for the welfare of the members as a whole. He stated: "If we become interested in this matter and listen to them, on the other hand, we won't be able to do any work. That would be a serious matter."

The allegation accuses Imam Soedarwo of once having been chairman of the Executive Committee of Partindo which, together with the PKI, was dissolved. Imam himself admits that he was once a leader of Partindo, but not of its communist faction.

According to Imam, the attitude of not paying any attention to this allegation has resulted in reducing confusion on this matter. In his view press reports that seven provincial executive councils of the SPSI are ready to support holding an extraordinary congress of the organization are not true. The chairmen of the provincial executive councils who have been asked about the matter have expressed the view that these allegations are not worth considering. Legiman, a member of the provincial executive council of SPSI in East Kalimantan, asked: "If it is true that Imam Soedarwo is a communist, why was he able to go so far as to become a chairman of a provincial executive council of GOLKAR?"

5170

CSO: 4213/128



# PKI CONNECTION RUMORED IN SOFIAN YUSUF'S 3-MONTH LEAVE

Jakarta TEMPO in Indonesian 22 Mar 86 p 14

[Text] The "long leave" taken by Sofian Yusuf, 50 years old, deputy governor of Bengkulu Province, will be completed at the end of March 1986. However, this 3 months' leave, which may be taken by any state employee who has worked continuously for 6 years and has conducted himself properly, has been described by some people as a kind of suspension. The problem is that there are some people who associate this "long leave" with the indication that the deputy governor "smells" of the PKI (Indonesian Communist Party).

According to a TEMPO source, the deputy governor, a 1964 graduate of the Faculty of Law of the University of Gadjah Mada, is a son-in-law of Wikana, a PKI leader. He lived in Wikana's home for 1 year and married Eny, the PKI leader's eldest daughter.

Is this true? Sofian, who until now has been deputy chairman of the Provincial Executive Council of GOLKAR (the ruling party) in Bengkulu Province, has denied this report. He told Mohamad Cholid of TEMPO, "My wife is from Jakarta. And don't talk about it anymore, because this is a private matter."

Indeed, the "accusation" against Sofian is not limited to that. According to a Jakarta source, Sofian was in Paris for 2 months at the beginning of 1970. He brought with him a letter for A. M. Hanafi, Indonesian ambassador to Cuba during the Soekarno era--no one knows from whom. Hanafi, a Soekarno supporter, has not been permitted to return to Indonesia up to now.

Sofian, who at the time of the Paris visit was an assistant to the provincial secretary, was also reported to have visited a certain Paris restaurant where he had conversations with PKI leaders. The TEMPO source said: "Sofian's mistake was that he did not report the fact of his meeting with the PKI leaders."

Sofian, who is a graduate of the Pancasila Indoctrination Course and was among the top five graduates of the program, denied all of this. He said briefly:

"I have never been abroad." He also denied that he had been suspended from his duties. He said, with regard to his long leave, "During the 20 years I have worked, I have never taken long leave." He added: "And I will resume active duty, beginning on 1 April." Indeed, he is still living in the house provided him by the government.

# NU LEADER STRESSES GROUP'S NONPOLITICAL ROLE

Jakarta KOMPAS in Indonesian 3 Mar 86 p 1

[Text] Solo, KOMPAS--The Nahdlatul Ulama (NU) Executive Board [PB] called on NU members to understand and respect decisions made at the 27th NU Congress, which was held in Situbondo in 1984. NU members were also asked to be aware of the need for continuous adherence to the principle of putting national interests above group interests.

H. Abdurrahman Wahid, chairman of the NU PB, made this appeal before more than 5,000 NU members at a celebration of NU's 60th anniversary, which was held at the Batari Building in Solo on Sunday afternoon (2 March). The large crowd came mainly from rural villages around Surakarta. The NU was established on 31 December 1926 at Surabaya.

Abdurrahman Wahid, known affectionately as "Gus Dur" explained a number of the important decisions made at the Situbondo congress, especially those related to changes in the NU constitution for acceptance of Pancasila as the basis of the organization and those concerning NU's return to the line of action of 1926. He also described the decision of the congress to refrain from political activities and to drop ties with political organizations of all types.

## Experience

Abdurrahman Wahid called to mind what happened when the NU was involved in political activity. "In the areas where the NU was the strongest, the people were the poorest. In areas where NU influence was the greatest, infant mortality was the highest. And in areas where the NU was tremendous, family planning programs had no success. All of that had an impact on the nation's future. Therefore, we deliberately leave political activity," he stated.

He stressed to all NU members that, although the NU's goal is to follow Islamic teachings in an orthodox way. The NU must first of all assure the permanence of the nation and the state. "I ask all NU members to be aware of this," he urged.

The chairman of the NU PB presented four steps to be taken by the NU in accordance with the Situbondo line of action: first, efforts to improve spiritual integrity among NU members; second, improvements in education; third, expansion of propagation efforts; and fourth, raising the standard of living of the people. Abdurrahman reminded his listeners that if the NU would be strong in other sectors it must be strong in the area of economics and need not be jealous of other groups.

# VETERAN JOURNALIST DISCUSSES FREEDOM OF PRESS

Jakarta KOMPAS in Indonesian 3 Mar 86 p 3

[Text] Freedom of the press is not an Indonesian tradition. Since the middle of the 19th century, the government in power has made regulations of one form or another restricting and obstructing freedom of the press.

H. Rosihan Anwar made these statements in a speech given on the occasion of National Press Day this past Saturday [1 March] at the National Awakening Museum Building in Jakarta.

In his speech, entitled "Indonesian Press and Journalists Through the Ages," Rosihan Anwar, former chairman of the Indonesian Journalists Association and now chairman of the honorary board of that organization, laid out the various forms those restrictions have taken.

He said that in 1856 a preventive censorship was instituted. In 1931, 75 years later, preventive censorship was abolished by the Press Ordinances Act and banning of newspapers which broke the press laws was begun.

"During the Japanese occupation, in 1942, two rulings limiting freedom of the press were put into effect simultaneously in Law No 16--the SIT (Licence to Publish) and preventive censorship," explained Rosihan.

The Indonesian government made the SIT permanent in Law No 11 of 1966, i.e., the Basic Press Regulations. These were recently revamped in the so-called SIUP (Publishing Business Licence). "So we must always remember that long tradition."

## Five Constraints

Looking closely at the condition of the press, particularly nowadays, Rosihan said that experienced press figures see five conspicuous constraints which should have the attention of the fourth estate in the interests of its own survival.

The first, said Rosihan, is the avoidance of reports on ethnic, religious, racial and intergroup topics. A second form taken by the limitations on the freedom of the press to report something is the "telephone culture" (the

practice of government officials telling newspaper editors by telephone not to report events or issues they don't want reported). "However, it seems that recently this has been declining," said Rosihan.

The other limitations on freedom of the press, Rosihan said, are the use of euphemisms, the vertical orientations, and the bureaucratic trends, in which high officials have an important role, that have been appearing in recent writing.

#### A Lot of Progress

In another section of his speech, attended in part by other press figures such as S. K. Trimurti, Sayuti Melik and Manai Sophiaan, he outlined the progress that has been made by the national press.

He said that in general and within certain parameters development has really been encouraging, especially from the point of view of the reporters, in terms of both wages and future expectations. Before the Second World War, he said, newspaper circulation was only 4,000 to 5,000 a day. During the Japanese occupation it rose a bit to 10,000 to 12,000. "In 1985, circulation is in the millions, about 2.5 million a day," said Rosihan.

In Rosihan's opinion advances have also been achieved in such other areas as the level of reporters' formal education.

#### Unethical

In response to a question from a member of the audience about "reporters on the take," Rosihan said that as long as people knew about it, i.e., as long as it was open, it could be accepted. "Offering bribes cannot be allowed at all if its purpose is to cover up the truth or to damage the interests of any group," he said.

Ethically, Rosihan continued, offering bribes cannot be permitted. "Realistically, however, it can be permitted."

9846

CSO: 4213/118

## TAX REVENUES MAY FALL BELOW TARGET IN 1985-86

Jakarta KOMPAS in Indonesian 5 Mar 86 p 1

[Text] Madiun, KOMPAS--The tax collection target for fiscal 1985-86 possibly will not be reached. By the end of February, income tax (PPH) receipts had met only 56 percent of the amount targeted in the APBN [National Budget]. Drs Salamun Alfian Tjakradiwirja, director general for taxes, revealed this during his tour of East Java.

During the 6 days ending on Tuesday [4 March], the director general had visited East Java, Central Java, and Yogyakarta to talk personally with regional tax officials about preparations for the next fiscal year and for the filing of PPH SPT's [declarations] for 1985, which are due on 31 March 1986.

In the 1985-86 APBN, the tax sector is targeted to bring in more than 5 trillion rupiahs in revenues to the state. These revenues consist of 3.07 trillion rupiahs in PPH, 1.666 trillion rupiahs in PPN (value added taxes), 167.4 billion rupiahs in IPEDA [regional development taxes], and the balance in other taxes, such as PKK (property taxes).

Salamun doubted, however, that the target can be achieved, because PPH revenues are still far from their goal. As of the end of February, only 56 percent of the budgeted 3.07 trillion rupiahs had been received. "I fear the goal cannot be reached, although taxpayers will flock to file their SPT's at the end of March. In fact, the feeling is that a target of only 2.4 trillion rupiahs would be big," he stated.

## Having PPN Is Fortunate

Salamun cited the sluggish economy last year, and the years before that, as cause for low PPH receipts. "Under such conditions, having PPN is fortunate," he declared. PPN receipts, which were budgeted at 1.66 trillion rupiahs, had reached 2 trillion rupiahs by the end of February. Receipts of certain other taxes are hoped to be somewhat larger than targeted. "Actual receipts of taxes other than IPEDA may be greater than their targets, because there is an element of revenue from tax amnesty." He was confident that IPEDA revenues, as well, would meet their goal. "It's possible they may even exceed the target a little," he added.

6942

CSO: 4213/119



## CONTROVERSY ON FORMING OF WORKERS COOPERATIVE CENTER

### SPSI Does Not Recognize INKOPERINDO

Jakarta KOMPAS in Indonesian 5 Mar 86 p 1

[Text] The SPSI [All-Indonesia Workers Union], the only workers' union in Indonesia, was not aware of and is not responsible for the formation of INKOPERINDO [Indonesian Workers Cooperative Center].

Imam Soedarwo, general chairman of the SPSI, stated in a public letter that the formation of INKOPERINDO without the knowledge of the SPSI shows a tendency to separate the workers' cooperative from the workers' organization. Besides that, workers' cooperatives have existed since 1976 and SPSI itself has plans to form a Workers Cooperative Center this very year.

In view of the existence of other functional cooperatives, such as the Army Cooperative Center, the Navy Cooperative Center, and the Police Cooperative Center, which are not separate from their parent organizations, i.e. the headquarters of their respective services, the SPSI should also be the parent organization for workers' cooperative centers. For that reason the SPSI cannot recognize the formation of INKOPERINDO, which deviates from the military examples just given.

Dr Eng Sudjanadi R., director general for Development of Cooperatives, authorized the formation of INKOPERINDO on 29 January 1986. It is headed by Agus Sudono, former general chairman of the All-Indonesia Labor Federation [FBSI]. INKOPERINDO has 1,500 primary cooperatives spread over 11 provinces. Its advisor is Bustanil Arifin, minister of cooperatives.

### Sudomo's Comments

Jakarta SINAR HARAPAN in Indonesian 5 Mar 86 p 1

[Text] Minister of Labor Sudomo asserted that given the SPSI's new leadership, the problem of INKOPERINDO should just be handed over to the SPSI.

That is the only problem, said the former PANGKOPKAMTIB [head of the Command for Security and Order]. He also rejected the notion that INKOPERINDO, under the leadership of Agus Sudono, is a competing organization.



Sudomo also said that Agus Sudono has requested a meeting with him but that because Sudono will be out of the country the meeting has not yet taken place. When asked whether he agreed with the formation of INKOPERINDO headed by Agus Sudono, Sudomo avoided the question. Whether it is going to form a cooperative center or not "is SPSI's business," he said; it is up to SPSI itself.

"Don't make it look like INKOPERINDO is a competing organization just because it was formed when Agus Sudono was General Chairman of the FBSI (All-Indonesia Labor Federation)," said Sudomo.

#### Co-op Department on Procedures

Jakarta KOMPAS in Indonesian 9 Mar 86 p 1

[Text] The Department of Cooperatives considers that it made no procedural errors in authorizing the formation of INKOPERINDO. It has the required number of members, and besides, Indonesia does not yet have a cooperative center for workers. The Department of Cooperatives' task is to encourage the formation of cooperatives for the well-being of its members in particular and of society in general.

Dr Eng Sudjanadi, director general for development of Cooperatives, made this statement when contacted by KOMPAS in Jakarta on Friday [7 March] afternoon, addressing the dispute which arose between the SPSI and INKOPERINDO. This cooperative center did not legally exist until the end of January. It is headed by General Chairman Agus Sudono, former general chairman of FBSI, which changed its name to SPSI.

Meanwhile, members of the executive committee of SPSI, who asked not to be identified, told KOMPAS yesterday that SPSI is not charging that INKOPERINDO was formed in a procedurally improper way, but rather is objecting to the principles on which it was formed. SPSI itself has plans for setting up its own cooperative center this year and is afraid of philosophical differences if a cooperative center exists outside of SPSI.

#### Lack of Communication

Sudjanadi said that the dispute which arose was caused by a lack of communication: SPSI never knew about Agus Sudono's plans, and the Department of Cooperatives never knew about SPSI's plans to set up a cooperative center this year. The Department was concerned only with seeing that requirements for future authorization be fulfilled.

In addition, Sudjanadi also sees a misinterpretation of the word "worker," which replaced the word "laborer." For cooperatives the term "worker" must be used in the sense of "employee" because cooperatives do not recognize the hierarchy of superior and subordinate. Everyone is a member at the same level.

Sudjanadi also mentioned that cooperative centers do not always have to be under their functional or professional parent organizations. They can also be on a parallel level and merely cooperate with each other. As an example he mentioned the case of the Civil Servants Cooperative Center (PKPN), which is not subordinate to KORPRI [Republic of Indonesia Civil Servants Corps].

#### A Weapon

The principles referred to by the executive council of the SPSI are, first, that the cooperative must be viewed as a weapon of the organization and second, that it must reflect and develop harmonious relations between workers, employers and the government, as contained in PANCASILA [Five Principles of the Nation] Labor Relations.

On the basis of these two principles, he stated finally that SPSI's biggest demand is that the cooperative center must be within the SPSI.

#### Exaggerated

Minister of Labor Sudomo, approached by KOMPAS at the University of Indonesia yesterday afternoon, said that basically the Department of Labor wants an internal and honest solution to the problem. The dispute is actually minor and has been exaggerated by the press so that it appears that Agus Sudono wanted to create a competing organization after his defeat in the FBSI. Therefore, Sudomo said, the Department of Labor is going to arrange a meeting between the two sides in the near future, "as soon as Sudono comes back from Geneva," said Sudomo.

When asked for reactions to Sudomo's suggestion, KOMPAS's source in the executive council said that in principle the SPSI also wants as quick a solution as possible.

#### Sudomo Suggests 4 Alternatives

Jakarta KOMPAS in Indonesian 26 Mar 86 p 2

[Text] The Indonesian Workers Cooperative center (Inkoperindo) is still asked to consider four alternatives which must be taken to resolve their controversy with the All-Indonesian Workers Union (SPSI). Changing the Inkoperindo name to Inkopkarindo also does not clarify the existing problem.

This was stated by Minister of Manpower Sudomo to journalists at the Department of Manpower central office in Jakarta Tuesday (25 Mar) afternoon.

Earlier that morning Agus Sudono, general chairman of Inkoperindo, had met with Sudomo to explain that he had received the four alternatives which were to be presented to the Inkoperindo leadership to be discussed collectively. "I hope we do not think about this for too long so that the problem may be quickly resolved," he said.

#### Four Alternatives

Sudomo explained that during the meeting he asked Inkoperindo to decide on one of the four alternatives which he had offered. First, Agus Sudono withdraws himself from the leadership. Second, Sudono and his cooperative join SPSI. Third, the central cooperative joins SPSI without Sudono. Fourth, activity of the central cooperative is frozen.

Nevertheless according to the Minister, he offered one additional suggestion that Inkoperindo or Inkopkarindo would not be considered as a central cooperative but rather as a local cooperative in a business enterprise. Through that institution members could obtain benefits such as housing.

Touching on the matter of Joint Decisions of the Minister of Cooperatives and the Minister of Manpower No. 80/KPTS/X/1983 and No. Kep-236/MEN/1983 which became the legal basis for the birth of an independent Inkoperindo, Sudomo said he will check further into the detailed rules which were formulated jointly by the directors-general of the two departments. However, Sudomo evaluated that morning's meeting as a positive first step.

#### Consultations

Agus Sudono, in an earlier opportunity, did not appear to want to comment much. Touching on the four alternatives offered by the Minister, according to him the matter must be discussed collectively. "I individually cannot give any judgement concerning that now," he said.

He also said, that as a Golkar member, he will also consult with Golkar leadership concerning the best method to be taken so that the problem can be settled for the good of all. "The main thing is to find the best solution."

Concerning the meeting with leaders of SPSI, particularly with Imam Soedarwo, he acknowledged he had contacted him Monday afternoon, 24 March. "We arranged what was good. Small differences of opinion can certainly be resolved," said Sudono. According to Agus Sudono a meeting with Imam Soedarwo will take place as soon as discussion within the Inkoperindo leadership is completed.

12836

CSO: 4213/129

# GINSI 'REGRETS' GRANTING OF COTTON IMPORT MONOPOLY

Jakarta KOMPAS in Indonesian 5 Mar 86 p 2

[Text] Jakarta, KOMPAS--GINSI (All-Indonesia National Importers Association) regrets the action of the minister of trade in granting a monopoly to PT [Limited Company] Cerat Bina Tekstil Indonesia for importing cotton fiber.

The statement was made by K.S. Oetomo, acting secretary general of the GINSI BPP (Central Executive Board), in a press release given to KOMPAS in Jakarta on Tuesday [4 March].

He said the formation of PT Cerat Bina Tekstil Indonesia, whose shareholders are textile firms belonging to API (Indonesian Textile Association), can be categorized as, and likened to, the concentration of economic strength in a single group, which is then given the right of monopoly for importing cotton fiber.

As support for the development of cotton farming so that it can become selfsufficient, the minister of trade set at 1:10 the ratio of purchases of domestically produced cotton to purchases of imported cotton.

GINSI noted that, although the minister of trade used a similar ratio method for regulating imports of milk raw materials, cotton should not be treated the same as milk.

According to Oetomo, domestically produced cotton is of the short fiber type, whereas Indonesian spinning mills lean toward the use of long fibers. "In connection with the policy of the minister of trade, SK [Letter of Decision] 70/Kp/11/86 designated PT Cerat Bina Tekstil Indonesia as sole purchaser of imported cotton fiber," said the acting GINSI secretary general.

## More Expensive

He also said in the statement that GINSI understands that the appointment of a sole importer was to unify purchasing. "But, if there is still opportunity to state a different opinion about the needs of companies, GINSI would like to look at the question from the viewpoint of the jointly approved GBHN [Broad Outline of State Policy]. According to the GBHN, the concentration of economic strength in one group in the form of monopoly that is disadvantageous to the people should be avoided," wrote Oetomo.

Without any prejudicial interpretation, experience up to now has shown that importing through importers designated for specific commodities, such as PVC [polyvinyl chloride] resin, iron, etc., has caused prices to manufacturers to be higher than the same commodities would have been if imported by each manufacturer himself.

"The designation of a sole importer is regrettable, especially at a time when Indonesia is developing an economic democracy, as was agreed to and provided for in the GBHN," said the acting secretary general of the GINSI BPP.

6942

CSO: 4213/119



REPORTED LOSSES AT ASEAN FERTILIZER PLANT DENIED

Jakarta PELITA in Indonesian 21 Mar 86 pp 1, 3

[Text] Jakarta, PELITA--From the time the ASEAN fertilizer plant in Krueng Geukeuh, North Aceh, began operating in 1984 and up to February 1986 it has not experienced any losses. Indeed, in 1985 it even made a profit of 5 billion rupiahs.

This statement was made to the press on 20 March by Rachman Subandi, managing director of PT ASEAN (AAF), at the Department of Industry. The statement was issued in connection with a report which stated that the factory was losing 1.3 billion rupiahs per month as a result of the fall in the price of fertilizer in foreign countries.

Indeed, Rachman added, in their most recent evaluation of company business stockholders in the company considered that there was no problem or obstacle which could cause the PT AAF company to fail.

Accompanied by Engr Iman Sucipto Umar, chief of the Bureau of Public Relations in the Department of Industry, Rachman Subandi admitted that profits in 1985 were smaller than they were in 1984, because the price of fertilizer had fallen. Overall profits or losses of a company are calculated on the basis of one financial year. According to Rachman, the calculation of profit or loss is based on the average annual price of fertilizer.

Sucipto said: "The company financial report up to February 1986, which was made to the general meeting of stockholders on 15 March 1986, showed that there were no losses."

As proof of this he stated that PT AAF, which has been engaged in commercial operations since 1984, and up to the end of 1985--or 2 years of continuous operation--made a profit and distributed a dividend to its shareholders. The distribution of the dividend for financial year 1984 was made to the

stockholders, who consist of the five ASEAN countries, in March 1985. The distribution of the dividend for financial year 1985 will be made in the course of March 1986.

5170

CSO: 4213/128

## VARIOUS REASONS FOR HIGH ELECTRICITY RATES ENUMERATED

Jakarta KOMPAS in Indonesian 31 Mar 86 pp 1, 8

[Text] The State Electricity Company [PLN] at this time is having difficulty becoming more efficient because it must subsidize the sale of electricity outside of Java. Because of this it is difficult to reduce the current electricity rates. Professor Ir Suryono, a PLN staff expert and former executive director of PLN, made that statement last week in Jakarta.

In a talk with KOMPAS Suryono, who is also a former general director of the Brantas River Project, said that production of electricity outside of Java is still expensive and inefficient because of the high freight cost of fuel oil [BBM]. Electricity outside of Java is mostly produced by small diesels which are dependent on BBM.

## Transportation

In addition to causing the high transportation cost of BBM, the decentralized small scale production is not at all efficient. In contrast the island of Java which already has interconnections no longer uses widespread small diesels, because the electricity needs of one area may be produced in another area which has large scale production.

The unfavorable geographic conditions, according to Suryono, cause inefficient electricity production outside of Java. For example, PLN must buy BBM at market price from Pertamina depots and then must transport it itself in accordance with general transportation costs. He said a number of isolated areas must be served even though the transport cost is high, such as Tapaktuan in West Aceh, Kupang in the East Nusa Tenggara or Jayapura in Irian Jaya.

Transport costs to Kupang, for example, must be paid twofold because BBM supply ships do not want to lose money with the risk of having no return cargo.

On the other hand, electricity production in Java can be efficient because transportation is easy and cheap and can reach all areas. In addition there are interconnected networks which provide for one electricity system which prevents use of inefficient small diesels.

In addition to that efficient electricity production in Java is greatly assisted by large scale PLTA [hydroelectric power plants] such as Saguling (700 megawatts) and Cirata (1000 MW) which are now under construction. "The cost of producing electricity by PLTA is less than one-quarter of the cost of using BBM," he said.

He acknowledged that investment in PLTA is far greater than that for BBM-powered generating plants. Due to marketing potential PLN has not built many PLTAs outside Java, even though the water potential is great there. "The problem is investment funds," said Suryono.

12836

CSO: 4213/129

# JAKARTA COURT SUGGESTS DISBARMENT OF BUYUNG NASUTION

Jakarta KOMPAS in Indonesian 21 Mar 86 pp 1, 12

[Text] Jakarta, KOMPAS--In a memorandum to Minister of Justice Ismail Saleh, the State Court of Central Jakarta has recommended canceling the license to practice law of senior lawyer Adnan Buyung Nasution, master of laws.

The recommendation was contained in an administrative memorandum sent to Saleh on 17 March 1986, signed by Soebandio, master of laws and chairman of the court. It recommended disciplinary action against Buyung, who was considered to have acted in a disrespectful way toward the court.

This action was taken in connection with an incident at the trial for subversion of Lt Gen (Ret) H. R. Dharsono on 8 January 1986, when the sentence was being read. The court attributed the incident that took place to Buyung's behavior. Buyung made an improper protest when the council of judges, presided over by Soediono, master of laws, was reading the sentence.

## Microphone Seized

At the court session Buyung interrupted the reading of the sentence of the judges which, among other things, stated: "The conclusion of the attorney that the government played a role in the development of the situation and his suggestion that the Tanjung Priok affair had been deliberately planned was premature in making a judgment not supported by convincing evidence. This conclusion is very dangerous, because it can create a bad image of the government in the eyes of the people. This is an improper and unethical charge."

It was at the end of that sentence that Buyung snatched a microphone and said: "I protest the words used by the court. Who isn't ethical? If necessary, the chief of police and the chief of the intelligence service (he meant the chief of police of North Jakarta and the chief of the Intelligence Section of the North Jakarta Military District Command.) should be brought here and made to appear before the court."

Buyung's comments led to a tumult. Those attending the session created a disturbance, and a police officer entered the courtroom to guard the door. Pointing at the police officer and with one arm akimbo, Buyung shouted once

again: "This court is under the control of the judge, not the police. The police should get out of here." And the police officer left the room.

Then presiding Judge Soediono warned Buyung to be quiet. Buyung obeyed and sat down, and the reading of the verdict was continued until it was concluded, without any further incident.

#### Reported

The incident was later reported by the judges to the chairman of the Supreme Court on 5 February. The Supreme Court then ordered the chairman of the court, who had been replaced by Judge Soebandi, to undertake an investigation and examination of Buyung regarding the truth of the report.

The Supreme Court also ordered a report to be prepared in the form of an administrative letter of decision regarding whether or not Buyung should be placed under surveillance.

It was for that reason that Judge Soebandi formed a council of judges presided over by himself to investigate Buyung's behavior. The other judges on the council were Oemar Sabusi, master of laws, and Mrs M. B. Sri Ati Santoso, master of laws.

This council of judges asked Buyung on 24 February to appear before it and provide further information on the incident. After this closed session of the council of judges Buyung was asked to provide a written answer or defense regarding the truth or falsehood of the report which had previously been prepared. It turned out that Buyung refused to present a defense.

#### Objection

By letter of 10 March 1986 Buyung expressed his objections to the forum as well as the procedure used by the court in calling on him to testify and in its treatment of him. In his letter Buyung said: "No procedure exists as yet to provide for organic supervision of a lawyer, as called for in Law No 14/1986 on the Supreme Court."

However, according to the council of judges, that does not mean that there can be no supervision because of a gap in the law. The council of judges made this point, mentioning a case which took place in East Java against Pamudji, a now-deceased master of laws, in 1974.

The council of judges called Buyung's action an effort to undermine the authority of the court and a violation of his professional oath, as well as an attempt to lower the prestige of the court. Furthermore, the Dharsono affair had attracted the attention of the Indonesian and international community, the council added.

The council of judges stated: "As a senior attorney, he should have known that a protest against a judge's decision in the form of a memorandum could be presented to an appeals court, in accordance with procedural law." The council concluded that it could not tolerate unlimited protests.

As of 20 March Buyung himself had not expressed an opinion regarding the administrative decision taken against him. In the letter communicating its decision to Buyung the court stated that Buyung had 1 month to appeal against the judgment.



## BRIEFS

**SOEHARTO WELCOMES HMI PANCASILA POSITION**--President Soeharto gladly welcomed the decision of the Islamic College Students Association [HMI] 16th Congress in Padang, West Sumatra which by acclamation accepted the Pancasila as sole principle for the constitution of that social organization. The enthusiasm of the Head of State was made public when he received Minister of Youth and Sports Dr Abdul Gafur, who reported the above matter as well as other matters which concerned sports activities at the Bina Graha yesterday. In a statement to the press after being received by the President, Minister Gafur said that with this decision, all Indonesian youth organizations have established Pancasila as sole principle. In his guide the President hopes that youths, including Muslim youth organizations, will study well the teachings of their religion so that they are not influenced by other religious sects. Concerning the political education of the public, the President said that the acceptance of Pancasila as sole principle takes time. He said that in giving political instruction to the public, one must be patient. With the growth of public understanding and awareness, if there are differences of opinion then society itself will resolve this as well as possible through discussion. [Text] [Jakarta HARIAN UMUM AB in Indonesian 26 Mar p 1] 12836

**AUSTRALIANS DENIED ENTRY**--Immigration officers at Polonia Airport in Medan, North Sumatra, have denied entry to an Australian journalist, Stephen Harris, who tried to enter Indonesia through Medan to cover the visit of President Ronald Reagan to Bali at the end of this month. Another Australian, Verwood Walter, was also refused entry because the authorities doubted his claim that he was a tourist. The two Australian nationals arrived in Medan from Kuala Lumpur aboard a Malaysian airline system flight and planned to proceed to Bali via Jakarta by land or by air. After examining their passports carefully, the immigration officers decided to refuse entry and send them back to where they came from aboard the same flight. The authorities interpreted their arrival in Medan from Kuala Lumpur as an effort to sidestep the Indonesian Government's decision to ban Australian journalists from covering President Reagan's visit to Bali. [Text] [Jakarta Domestic Service in Indonesian 1200 GMT 24 Apr 86 BK]

**NEW TELEVISION RELAY STATIONS**--Information Minister Harmoko has reported to President Suharto on the plan to build 18 television relay stations costing 1.9 billion rupiah during the 1986-87 fiscal year. The minister adds that the new stations will be built in Aceh, West Sumatra, Jambi, Lampung, South

Sumattya, East Java, Central Kalimantan, East Kalimantan, North Sulawesi, South Sulawesi, Southeast Sulawesi, Maluku, and Irian Jaya Provinces. [Summary] [Jakarta Domestic Service in Indonesian 0600 GMT 21 Apr 86 BK]

NEW OIL FIELD DISCOVERED--The State Oil and Gas Company has discovered a new oil field in Kuala Damal, situated 6.9 km to the northwest of Medan, North Sumatera. The new field has a production capacity of 2,313.7 barrels of oil and 4.18 million cubic meters of gas per day. [Summary] [Jakarta Domestic Service in Indonesian 1500 GMT 15 Apr 86 BK]

/12929

CSO: 4213/135

COMMENTARY VIEWS WEINBERGER VISIT TO THAILAND

BK091406 Vientiane Domestic Service in Lao 1200 GMT 9 Apr 86

[Unattributed commentary: "Halfhearted Result of a Visit"]

[Text] On the morning of 9 April U.S. Secretary of Defense Caspar Weinberger left Bangkok after concluding his 3-day visit to Thailand and travelled to Australia, the last leg of his current tour.

During his stay in Bangkok, Caspar Weinberger met and held talks with General Prem Tinsulanon, Thai prime minister and defense minister, and Sitthi Sawetsila, deputy prime minister and foreign minister, on military relations between the United States and Thailand.

Caspar Weinberger told journalists before departing Bangkok that the United States and Thailand will continue discussion in the next 2 months on the setting up of a U.S. war reserve stockpile in Thai territory. Caspar Weinberger used the same old reason for setting up the stockpile--the presence of Vietnamese troops in Cambodia threatens Thailand.

Whatever reason they may use, the general public regards it as a trick aimed at laying grounds for the return of U.S. troops to Thailand. Public opinion attributes the failure of Weinberger and the Thai Government to conclude an agreement during his 3-day visit to Bangkok to the active struggle waged by the Thai people of all strata. The bomb explosion at the Erawan Hotel where Weinberger stayed [as heard] and a rally openly staged by a group of Thai students opposing Weinberger's Bangkok visit show the Thai people's disapproval of the setting up of the U.S. war reserve stockpile on Thai soil and their opposition to U.S. efforts to take away Thai rice markets. This is why Weinberger's visit to Bangkok ended with halfhearted results.

Even though Weinberger has left Bangkok, the setting up of the U.S. war reserve stockpile on Thai soil continues to be a matter of concern for the Thai people. This will be a target for the joint struggle of the patriotic and justice-loving Thai people.

/6662

CSO: 4206/94

1984 COUNCIL OF MINISTERS' ORDER ON FEE SCHEDULES

Vientiane VIENTIANE MAI in Lao 3 Mar 86 p 2

[Council of Ministers' Order No 045/SPT on Revising Fees for the Private and Public Sectors"]

[Text] Based on the policies of the party and state on administering the country and controlling the economy; on the party's financial policies, which are aimed at maintaining economic development, fostering self-reliance and advancing to socialism; on Council of Ministers' Order No 243/SPT of 24 September 1982 on revising domestic fees; on the actual economic and financial situation today; and on the proposals of the Ministry of Finance:

In order to strengthen control and increase inspections of the means of transportation, foreigners, the transport of goods, production, the expansion of the national economy, national defense and public order, the Council of Ministers has issued the following order:

1. The various domestic fees as detailed in Council of Ministers' Order No 243/SPT of 24 September 1982 have been revised as follows:

Part 1: The private sector:

a. Vehicle fees:

Pedicabs and vehicles with an engine capacity of less than 50cc: 100 kip per year.

Vehicles with engine capacities greater than 50cc: 200 kip per year.

Sedans with a capacity of less than 1,000cc: 600 kip per year.

Sedans with a capacity of 1,000 to 2,000cc: 1,200 kip per year.

Sedans with a capacity of over 2,000cc: 2,400 kip per year.

Trucks and buses: 2,000 kip per year.

Note: The fees for pickup trucks used for commercial purposes are the same as for sedans of the same capacity.

b. Docking fees for paddle boats and barges:

Boats with a cargo capacity of 1 to 10 tons: 100 kip per year.

Boats with a cargo capacity of 11 to 200 tons: 200 kip per year.

Motor boats and ships:

Launches: 50 kip per year.

Boats with a cargo capacity of up to 1 ton: 100 kip per year.

Boats with a cargo capacity of 1 to 30 tons: 200 kip per year.

Boats with a cargo capacity of over 30 tons: 300 kip per year.

Ferries ships: 300 kip per year.

c. Visa fees:

Temporary visas:

For stays of from 3 to 6 months: 300 kip.

For stays of from 6 to 12 months: 500 kip.

Permanent resident visas: 500 kip.

d. Licenses to carry hunting weapons:

Type A: 300 kip for a 5-year license.

Type B: 200 kip for a 5-year license.

Type C: 150 kip for a 5-year license.

Type D: 120 kip for a 5-year license.

Type E: 100 kip for a 5-year license.

Type F: 80 kip for a 5-year license.

Fee for a hunting license: 500 kip for a 5-year license.

e. Fees for issuing and renewing passports:

Fee for issuing a passport: 400 kip.



Fee for issuing a border pass: 100 kip.

Fee for renewing a passport: 200 kip.

Visa fee: 100 kip.

Fee for a Lao identity card: 40 kip.

f. Fees for producing ice and ice cream:

Fee for producing ice: 0.10 kip per kg.

Fee for producing ice cream: 0.50 per kg.

g. Slaughter fees:

100 kip per hog.

200 kip per cow.

300 kip per buffalo.

h. Branding fees:

50 kip per cow.

50 kip per buffalo.

50 kip per horse.

300 kip per elephant.

Part 2. The public and private sector:

Cooperative activities:

Timber: 50 kip per cubic meter.

Ore, salt, hides, charcoal, rice, corn, oil: 50 kip per ton.

Crushing machinery and equipment: 50 kip per unit.

Other goods packed in boxes or other containers: 5 kip per box or container.

Unpackaged goods: 50 kip per ton.

2. This fee schedule goes into effect in June 1984.

3. The ministries, state committees, provincial administrative committees and cities throughout the country are responsible for implementing the provisions of this order.

4. The Ministry of Finance is responsible for guiding the implementation of this order. Action must be taken immediately following the signing of this order.

Vientiane, 8 June 1984

Signed on behalf of the Council of Ministers:

Nouhak Phoumsavan

First Deputy Chairman of the Council of Ministers

11943

CSO: 4206/93

CAPITAL CITY TRADE WITH SRV, PRIVATE SECTOR INPUT

Vientiane VIENTIANE MAI in Lao 4 Mar 86 p 2

[Article by Chanthaphon Vannachit: "Improved Results and Figures on Vientiane City Trade"]

[Excerpts] In 1985 Vientiane City trade improved on several fronts. At present, there are a total of 1,456 trade cadres in Vientiane Capital, of which 670 are women.

Certain activities showed improvement in 1985. For one thing, there was greater trade cooperation between Vientiane Capital and Hanoi and Ho Chi Minh City. The value of exports to Hanoi totaled approximately \$143,000. That with Ho Chi Minh City totaled approximately \$167,000.

Besides cooperating with the [SRV] twin province, which is a new step, Vientiane Capital also trades with other provinces throughout the country. At the same time, Vientiane Capital has gradually improved and expanded trade at the primary level. For example, there were 7 district stores in 1984. In 1985 the number increased to 18. In 1984 there were five stores subordinate to Vientiane Capital. This increased to seven in 1985. Of these, two accept foreign currency. There is one department store. In 1984 there were 12 state-operated stores. This increased to 35 in 1985. There are 7 stores subordinate to the Vientiane Capital Trade Company, 10 state cooperatives, 71 joint public-private stores, 31 restaurants and 154 marketing cooperatives. This is an increase of 5.8 percent as compared with 1984.

Based on these improvements, in 1985 trade revenues increased 499 percent as compared with 1984. Each month, more than 200 million kip is deposited in the banks.

11943

CSO: 4206/93

## SOUPHANOUVONG NEW YEAR GREETINGS TO PEOPLE

BK151500 Vientiane Domestic Service in Lao 0000 GMT 15 Apr 86

[Greetings from Souphanouvong, Political Bureau member of the LPRP Central Committee, president of the LPDR, and chairman of the SPC and the Lao Front for National Construction, to Lao both at home and abroad on the occasion of the traditional Lao new year--date not given; recorded]

[Text] Beloved compatriots: 16 April 1986 or Buddhist Era 2529 marks the beginning of the Lao new year. On this auspicious occasion, on behalf of the party, the SPC, the Council of Ministers, and the Lao Front for National Construction [LFNC], I would like to extend my best wishes, solidarity, and profound affection to all Lao compatriots of all tribes, strata, and origins throughout the country as well as all cadres, combatants, state employees, workers, collective farmers, Buddhist monks and novices, scholars, students, intellectuals, youths, and young pioneers throughout the country and our Lao compatriots living overseas.

I also extend my warm greetings to the families of those persons who have scored outstanding achievements for our revolution. I extend my greetings to wounded or sick persons who are hospitalized. I wish you speedy recovery so that you can return to your posts to carry out your duties. I extend my greetings to all gallant cadres and combatants who are currently performing difficult duties in the front line along the rugged borders. I wish you good health so that you will be able to fulfill your noble and honorable tasks entrusted by the country and people.

Beloved compatriots, the passing old year has been filled with numerous tests. But under the talented, correct, and creative leadership of our party, the Lao Army and people of all tribes throughout the country have closely united with one another to score great, all-round, and firm victories in fulfilling the two strategic tasks of defending the country and building socialism, particularly in carrying out an emulation campaign to score achievements to welcome the two historical anniversaries of our Lao nation--the 30th founding anniversary of the LPRP and the 10th founding anniversary of the LPDR. The past year was also the final year of the first 5-year state plan. We managed to fulfill triumphantly the targets of many major tasks during the year. The successes

and victories scored by our people in the past year have become noble contributions to the struggle movements of all people struggling for peace, national independence, democracy, and socialism. On behalf of the party and state, I would like wholeheartedly to hail our compatriots, cadres, combatants, workers, and state employees for scoring such great victories.

On this occasion, I would like to express our sincere thanks and profound gratitude to the peoples in the fraternal socialist countries, friendly countries, international organizations, and peace- and justice-loving countries throughout the world for rendering great and invaluable support and assistance to the revolutionary cause of our Lao people.

Beloved compatriots, we are entering the new year at a time when our entire party, Army, and people are striving to implement the second 5-year state plan and are making preparations to convene the fourth party congress and when the United Nations Organization has adopted a resolution to observe this year as the International Year of Peace against the arms race, nuclear arms tests, and war preparations made by the warmongering imperialists and in support of the initiatives of the Soviet Union, the socialist countries, and the forces struggling for peace and security in the world.

Our party and state call on our compatriots of all tribes, cadres, combatants, state employees, and workers to [word indistinct] and strengthen our unity; to strive to the fullest extent in implementing all lines and policies of our party and state, to be resolved to build a new strong and firm posture to organize triumphantly the successful implementation of the second 5-year state plan; to organize the improvement of the material and moral life of the people; to compete with one another to boost production and to carry out effective and massive production by practicing thrift; and to strive to consolidate and strengthen unity among the people of all tribes as well as our special solidarity, militant alliance, and all-round cooperation with the Vietnamese and Cambodian peoples and our all-round cooperation with the Soviet Union and the fraternal socialist countries. At the same time, we must consistently heighten a sense of vigilance and be prepared to smash all sabotage schemes and acts of creating rifts of the Beijing big-nation expansionists-hebemonists in collusion with the U.S. imperialists and the other international reactionary forces. To score achievements to welcome the forthcoming fourth party congress, we must seize the opportunity in the new year to launch a mobilization movement to carry out work in an atmosphere filled with a sense of revolutionary enthusiasm so as to score yet greater achievements, to fulfill our obligations to the nation, to pay attention to carrying out agricultural production and making preparations to harvest the dry-season rice crop and to carrying out the main-season rice crop production in the near future, and to pay attention to organizing the new year celebration with a sense of joy, solidarity, and thrift.

On the auspicious occasion of the traditional Lao new year, on behalf of the party and state, I would like to extend my best wishes to all compatriots. I wish you good health, joy, and a sense of revolutionary enthusiasm so that you can effectively fulfill your noble obligations to the country. I hope that our compatriots of all tribes will welcome the beginning of the new year with a sense of elation and victorious unity.

/6662

CSO: 4206/94



KAYSONE PHOMVIHAN GREETINGS TO CUBA'S CASTRO

BK271029 Vientiane Domestic Service in Lao 1200 GMT 26 Apr 86

["Text" of 15 April Greetings Message from Kaysone Phomvihan, General Secretary of LPRP Central Committee, to Fidel Castro Ruz, first secretary of Central Committee of Communist Party of Cuba]

[Text] To Comrade Fidel Castro

First secretary of the Central Committee of the Communist Party of Cuba, Havana

On the glorious occasion of the 25th founding anniversary of the Communist Party of Cuba, on behalf of the LPRP Central Committee, the Lao working class, and all Lao people, and in my own name, I would like to convey warm salutations, wholehearted greetings, and best wishes to you, comrade, and through you, to the Central Committee as well as members of the Communist Party of Cuba, the working class, and all people of the Republic of Cuba.

Over the past 25 years, the talented Communist Party of Cuba headed by beloved and respected Comrade Fidel Castro has led the Cuban people to carry out struggle in a very resolute and heroic manner against the blockades and pressures of the North American imperialists to defend the country and build socialism. Promoting and expanding the resolute, heroic, and indomitable revolutionary tradition of the Cuban nation, firmly combining genuine patriotism with pure proletarian internationalism, and creatively applying Marxism-Leninism to the practical conditions in their country, the Cuban people have scored great achievements of historic and international significance in carrying out their revolutionary cause. Following these achievements, the roles and prestige of the Communist Party of Cuba have been raised, and the party has become a firm and resolute force of the international communist-worker movement in the Latin American region.

We wholeheartedly hail the glorious achievements scored by the Communist Party of Cuba, the working class, and the fraternal people of the Republic of Cuba over the past 25 years. The 25th anniversary of the Communist Party of Cuba is celebrated this year when your party convened the third congress--a significant political event of the party and people of Cuba.

On this glorious occasion, we wish you, comrades, great success in implementing the resolutions adopted by the third party congress. May the militant solidarity, fraternal friendship, and all-round cooperation between the parties, states, and peoples of Laos and Cuba be further strengthened with each passing day!

With communist respects.

/6662

CS0: 4206/94

## BRIEFS

**DISTRICT MASS ORGANIZATION MEMBERSHIP**--During 1985, the mass organizations in Saisettha District, Vientiane Capital, made many improvements and expanded greatly. The district Youth Organization has a total of 1,538 members. Of these, 775 are women. Membership increased 18.22 percent as compared with 1984. The district Women's Federation has a membership of 293 people. Membership increased 1.70 percent as compared with 1984. There are 345 Trade Union members, of which 158 are women. Membership increased 315.8 percent. Membership in the district Front reached 108 people, an increase of 237.5 percent as compared with 1984. [Excerpts] [Vientiane VIENTIANE MAI in Lao 28 Feb 86 p 1] 11943

**VIENTIANE DISTRICT BANKING, TAXES**--From the beginning of January to the end of December 1985, the cadres and workers in the tax section of the Hatsaifong District bank carried out their duties diligently. During that period, they collected a total of 36,886,661 kip in taxes. State economic revenues totaled 1,900,433 kip; collective taxes totaled 6,985,240 kip; agricultural taxes totaled 8,253,205 kip; and professional taxes totaled 4,747,783 kip. At the same time, the private enterprises were persuaded to deposit 320,078 kip in term and non-term accounts. A total of 64,000 kip was received from savings certificates. [Excerpt] [Vientiane VIENTIANE MAI in Lao 5 Mar 86 pp 1, 4] 11943

**SAYABOURY TIMBER EXPORTS, INCOME**--In 1986, which is the first year of the second 5-year plan, the workers in the timber felling division in Sayaboury Province, which is subordinate to the Industry, Handicrafts and Forestry Section, are cooperating in felling trees in their zone of responsibility in a planned way. Good results have been achieved. During the first quarter of the year, they felled 2,600 trees for export and for shipment to the sawmills to support various construction activities. They have transported a total of 350 cubic meters. In 1985, which was the final year of the first 5-year national economic development plan, the workers in the timber felling division in Sayaboury Province increased their role as members of the working class and fulfilled the plan by cutting a total of 4,500 cubic meters. Of this, 770 cubic meters were exported. A total of 3,400 cubic meters were shipped to the two sawmills in the province. This generated revenues of more than 14,300,000 kip. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 11 Mar 86 p A2] 11943

**LOUANG NAMTHA TAX COLLECTION**--The agricultural tax has been collected from the members the agricultural cooperatives and the farmers in five districts in Louang Namtha Province. A total of 1,100 tons of rice was collected in taxes in these five districts. The largest amount, more than 300 tons, was collected in Na Le District. Besides this, the people in these localities have sold tens of tons of rice and other items to the state. [Excerpts] [Vientiane KHAOSAN PATHET LAO in Lao 11 Mar 86 p A4] 11943

**DISTRICT PARTY MEMBERSHIP**--The second annual conference of the Atsaphangthong District Party Committee, Savannakhet Province, concluded on 8 March. The conference, which lasted 3 days, was attended by 76 of the district's 117 full party members. [Excerpt] [Vientiane KHAOSAN PATHET LAO in Lao 12 Mar 86 p A4] 11943

**BOLIKHAMSAI ROAD CONSTRUCTION**--In February, the cadres and people in Meuang Kao, Meuang Mai and Meuang Bo cantons in Bolikhamsai Province completed constructing a road from Meuang Kao Canton to Meuang Bo Canton. The road is 45 km long and 8 meters wide. It will be used to facilitate transporting goods between the localities. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 8 Mar 86 p A7] 11943

**LIVESTOCK PRICES**--A report by the head of the Foodstuffs Company in Sanakham District, Vientiane Province, reported 1st quarter results as follows: During the past 3 months, the company purchased 5,928 tons of rice from the people. Besides this, it collected 6 tons of rice and 5 tons of flour in taxes. The company also purchased livestock from the people. For example, it purchased 155 buffalo valued at 3,650,000 kip, 22 head of cattle valued at 496,000 kip and 650 pigs valued at around 3,000,000 kip. [Excerpt] [Vientiane KHAOSAN PATHET LAO in Lao 17 Mar 86 p A2] 11943

**VIENTIANE PROVINCE ROAD CONSTRUCTION**--Recently, the team responsible for the Highway 10 construction project reported that good progress is being made in constructing Highway 10. To date, 39 percent of the construction work has been completed. Highway 10 will run from Don Noun to Pak Kayoung. This will facilitate communications between Saithani and Thoulakhom districts. The road will cross the Ngung River near Tha Ngon. This road will be 47,000 meters long and 8 meters wide. It will be constructed of asphalt and meet international standards. The construction company began construction on this road in October 1985. [Excerpt] [Vientiane VIENTIANE MAI in Lao 8 Mar 86 p 1] 11943

**SRV EXPERTS LEAVE**--On the evening of 3 March 1986 at the Vientiane Capital administrative building, Dr Sihou Banavong, the deputy chairman of the Vientiane Capital Administrative Committee, received Mr Nguyen Ngon, an agricultural tax expert, and Le Trong Dung, an expert from the Dinh Chi Dinh Kho Factory in Hanoi, who came to say good-bye after having provided help to Vientiane Capital during the past period. During this visit, the guests and host chatted about cooperation between Vientiane Capital and Hanoi and the wonderful results that had been achieved. Following that, Dr Sihou Banavong praised the work of the Vietnamese experts in helping Vientiane Capital to expand and make progress. The deputy chairman also expressed great gratitude to the party, state and people of Vietnam, particularly Hanoi, which provided

much help to Vientiane Capital during the period of national liberation and which is now providing help during the period of socialist construction. In conclusion, he told the Vietnamese experts that he hopes that the great friendship between Laos and Vietnam will last forever. The conversation took place in a very friendly atmosphere. [Text] [Vientiane VIENTIANE MAI in Lao 8 Mar 86 pp 1, 4] 11943

THAI BORDER VIOLATIONS--According to a local news report, at 0830 on 9 April, a number of Thai reactionaries fired many rounds of ammunition from the Thai bank at the Lao residents of Houai Hom village in Hatsatfong District, Vientiane Municipality, who were fishing along the Mekong River on the Lao bank. As a result, the fishing boat was damaged. A little earlier, in late March, Thai reactionary soldiers also fired at the Lao village of Na Moi in Nam Kuan Canton, Sanakham District, Vientiane Province, as a result of which a number of houses and other property of the local people were damaged. Further reports from many Lao-Thai border areas said that recently the Thai authorities have strengthened their forces in many areas along the border, thus worsening the tension along the border. [Text] [Vientiane Domestic Service in Lao 1200 GMT 10 Apr 86 BK] /6662

LPRP-CPV PROPAGANDA BOARD TALKS--Delegations of the LPRP and the CPV central committee propaganda and training boards met and exchanged experiences in Vientiane on the morning of 28 April. In the meeting, the two sides exchanged documents on cooperation in ideological work for 1986-90 and the plan for the cooperation in building cadres for 1986. The Lao delegation was headed by Comrade Sopha Khotphouthon, vice chairman of the LPRP Central Committee Propaganda and Training Board, while the Vietnamese delegation was headed by Comrade Le Son Dong, vice chairman of the CPV Central Committee Propaganda and Training Board. [Text] [Vientiane Domestic Service in Lao 0000 GMT 29 Apr 86 BK] /6662

CSO: 4206/94



## RESHUFFLE FOR DIPLOMATS REPORTED

Penang THE STAR in English 14 Apr 86 p 6

[Article by K.T. Arasu]

[Text]

KUALA LUMPUR, Sun. — Malaysia's permanent representative to the United Nations, Tan Sri Zain Abidin, will take over as Finance Ministry secretary-general when Tan Sri Tiong Yaw Hong retires in the middle of the year.

The director of the ASEAN-Malay sub-committee, Encik Mohamed Yusoff Hitam, would be re-assigned to the United Nations.

Sources said today that Tan Sri Zain's move was part of a major re-assignment exercise by Wisma Putra, which a Ministry official said was "purely an administrative exercise."

The exercise also includes the appointment of two new High Commissioners — former Navy chief Datuk Mohamed Zain Mohamed Salleh (New Zealand) and Tan Sri Thomas Jayasuria, who goes to Canada.

Former MCA vice-president Datuk Low Sio Hin has completed his term as ambassador to the United States. He is not expected to be re-assigned.

The ambassador to West Germany, Mr A. S. Talaha, has been appointed head of

the US mission.

The envoy to Papua New Guinea, Encik Kamaruddin Abu, would be re-assigned to Turkey while Datuk Jamaluddin Abu Bakar, the ambassador to Japan, will go to the United Kingdom.

Datuk Jamaluddin would be replaced by Datuk Abdul Kamil Jaffar, now the ambassador in China.

Datuk Lim Tait Choon, ambassador to France, will return. He is not expected to be re-assigned, the sources added.

Encik Mahmud Dali Hashim, ambassador to the Soviet Union, will head Malaysia's new mission in Sweden. Another new mission will be set up in Spain and it would be headed by Encik Yery Aslan, presently in the UK.

Mr B. Rajaram, the secretary of Wisma Putra's political division on America, Europe and International Organisations, will be appointed High Commissioner to Papua New Guinea.

The Wisma Putra official said the re-assigned diplomats would be given their credentials soon.

/9317

CSO: 4200/983

TRADE AGREEMENT WITH HUNGARY REVIEWED

Kuala Lumpur BUSINESS TIMES in English 18 Apr 86 pp 1, 2

[Article by Sharif Haron]

[Excerpt]

MALAYSIA and Hungary have agreed to strengthen bilateral ties, especially in trade.

Foreign Minister Tengku Ahmad Rithauddeen said yesterday that both sides agreed that trade relations can be improved by stepping up direct trade and encouraging counter trade.

The minister was speaking to reporters after meeting with Hungarian Foreign Trade Minister Peter Veress, who arrived in Kuala Lumpur yesterday for a four-day visit to Malaysia.

Tengku Rithauddeen welcomed the suggestion by Mr Veress for more direct trade because in the past most of the transactions between the two countries were made through third countries.

With improved trade relations, Malaysia can learn from Hungary a few things about transport and the construction of coaches. Hungary is renowned for its expertise in making coaches.

Trade in the past 10 years has always been in Malaysia's favour. The largest surplus of about \$19.8 million was in 1982.

During his visit, Mr Veress will call on Prime Minister Datuk Seri Dr Mahathir Mohamad, Trade and Industry Minister Tengku Razaleigh Hamzah, Transport Minister Datuk Dr Ling Liong Sik and Primary Industries Minister Datuk Leong Khee Seong.

He will also visit the Proton Saga plant in Shah Alam and the Palm Oil Research Institute of Malaysia in Bangi.

/9317

CSO: 4200/983

## UMNO-PAS CONTEST IN TERENGGANU EXAMINED

Penang THE SUNDAY STAR in English 13 Apr 86 p 7

[Article by Maria Samad]

[Text]

IT WAS Friday, Datuk Seri Dr Mahathir Mohamad was addressing about 5,000 fishermen at a jetty in Cendering, Terengganu. Three kilometres away in Rusila, PAS vice-president Haji Hadi Awang was conducting his weekly sermon. There were more than 2,000 of his followers, all listening intently.

If the numbers who turned out for Dr Mahathir is anything to go by, Umno and the Barisan Nasional should have nothing much to worry about in the State. The Barisan's position is secure.

But things may not be that simple. The Prime Minister was on the second day of his State visit to Terengganu — the last leg of his tour of the peninsula which began in January.

It was part of an election campaign, although the Government has yet to announce the date of the polls.

The scene at all the rallies was a familiar one. Thousands of people came to greet him on his tour. All State and Federal leaders of Barisan component parties turned up in full force. They pledged their undivided loyalty to him as head of the Government and party.

Banners and placards in support of Dr Mahathir were prominently displayed. They could be likened to the nationwide rallies held three years ago where Dr Mahathir went to the people, seeking their support during the height of the Constitutional crisis.

But show of support at rallies could be quite different from reality on the ground. For, in no other State is the battle between Umno and PAS for the hearts and minds of the Muslims so bitterly fought as in Terengganu.

The struggle between the two parties has led to serious repercussions affecting the Muslim polity such as the two-imam issue, the boycotting of social functions, separate burial grounds and the break-up of families.

So, it was only in Terengganu that there were PAS posters and flags lining the road leading to the functions where Dr Mahathir was scheduled to attend.

One such poster actually had the words: *Mahathir tipu rakyat*.

How much does this reflect sentiments of the people and the voters in that particular area?

It is significant that Dr Mahathir chose Terengganu to appeal to PAS to co-operate with Umno to help achieve greater Muslim unity.

"A lot could be done if there was co-operation between the two Muslim parties," he said.

It underlined the fact that the power struggle between Umno and PAS has now shifted from Kelantan to Terengganu. And while Umno leaders confidently dismiss PAS' influence in other States, the case is not so in Terengganu.

So there is no likelihood of any truce in the struggle between the two parties in the State.

PAS leaders like its secretary-general Hassan Shukri and Youth leader Mustapha Ali are confident of winning at least five more State seats in the Besut, Dungun and Kuala Terengganu Parliamentary constituencies in the coming general election.

They have concentrated their *ceramahs* in these areas where, PAS leaders claim, they have made tremendous inroads.

If there is any one overwhelming reason why the struggle is so bitter in Terengganu, it is the emergence of Haji Hadi as the party's undisputed spiritual leader. Indeed, his influence extends to Kelantan, Kedah and Perlis as well.

The party did fairly well in the last general election, capturing five out of the 28 State seats, all on slim margins.

Now PAS leaders say they are not only confident of retaining these seats, they are also going to wrest more away from Umno.

In fact, they are concentrating so much of their firepower for the State seats, that the party is practically ignoring the Parliamentary seats.

Both Umno and PAS have intensified their campaigns. *Ceramahs* are held almost every night.

However, PAS has been more vigorous and aggres-

live and it has a headstart. The party went to work immediately after the last general election and called their strategy *ceramah gempur*, an "information assault" campaign.

Haji Hadi's sermons are thinly disguised political discourses. In his own terms, there is no conflict in switching between religion and politics like this.

His party stands for a theocratic State. So both the religious and the political message are in the Quran. His Rusila camp is now the unofficial PAS headquarters despite what PAS says and he directs the campaign from there.

From all accounts, the response to his *ceramah* have been extremely good.

Even Umno members quietly admit that PAS had been working hard.

But, they say, whether the size of the crowd which attended the *ceramahs* will be translated in real votes is another question altogether.

Umno's weakness is the internal bickering in Hulu Besut and in Dungun and what Umno members describe as the existence of nepotism in the State administration.

Some 200 Umno members from the Darau Umno branch in Hulu Besut recently resigned in protest against Besut State Assemblyman Datuk Haji Hussin Abdullah, the State Assembly Speaker.

Now PAS has seized the opportunity and is concentrating its *ceramah* on these two areas.

Dissidents claim Mentri Besar Datuk Seri Wan Mokhtar Ahmad is concentrating development projects in his own constituency of Chukai which is under the Kemaman Parliamentary constituency.

"He wants to retain his seat," said an observer.

On top of everything, PAS members allege that government aid is being given to "Umno areas only."

They claim that there is too much frustration among its followers in the *kampung*s as a result of deliberate neglect of their interest by petty officials, who PAS claims, are mostly Umno supporters.

There is also criticism that the Government is spending money on the wrong things — building community halls in every *kampung* "which serves little purpose."

Umno leaders deny such allegations. The State, they said, had made tremendous progress, pointing to many new schools and clinics set up in the rural areas.

"No other State in the peninsula has such good roads as Terengganu, thanks to the petroleum revenue," said MP for Ulu Nerus Mamat Ghazalee Rahman.

PAS members simply refuse to accept help from the Government.

He said: "PAS might win a few seats here and there and we might lose some, but there is no way that PAS could rule the State."

But it cannot be denied though that there is a broad spectrum of issues which PAS is exploiting to great effect in the rural areas of Terengganu.

The party's ambitions in the State seems grounded, paradoxically, on its wealth. Oil has not brought much changes to the lives of the rural population.

"There is undoubtedly prosperity of some sort in the towns. But it has yet to benefit the rural areas," said one observer.

"The people are confused. Only certain people are getting richer," he said.

Encik Mustapha says the petroleum-based industry, which is based on the capitalist system, has little relevance to the people in the *kampung* who are involved in cottage industry.

But how many voters are likely to be swayed to PAS? Is this going to be an exercise of futility because the committed voters are not likely to change their minds?

Some observers seem to think so. What should concern Umno should be the educated Malay middle class in the urban areas who seem to be more sympathetic with PAS's struggle, they say.

"That is where PAS' new strength and support will come from," they say, adding that although small in number, they could form a vital factor in swinging the votes to either Umno or PAS.

It is the affluent group, the intellectual in towns who hunger for spiritual sustenance which PAS seems to be able to offer, they say.

This is not to say that everything is fine at the village level.

The Government must be able to tackle economic and social problems. The Government must see to it that PAS members do not suffer from a feeling of alienation, that they stand apart and separate from the rest of the Muslim polity.

As Hassan Shukri puts it: "The question of winning or losing in an election is secondary. PAS is a political party in the sense that we have to take part in an election. But, God willing, victory will be ours in the end. Our struggle is eternal."

COMBINED MALAYSIAN-THAI OPERATION REPORTED

BK291435 (Clandestine) Voice of the People of Malaysia in Malay 1230 GMT  
29 Apr 86

[Battle report: "More Than 40 Enemy Soldiers Were Either Killed or Wounded in the Joint Search-and-Destroy Military Operation by Reactionary Malaysian-Thai Soldiers"]

[Text] In February of this year, the Malaysian reactionary group, collaborating with the Thai military authorities, launched a combined military operation in the east Kedah-Thai border region. In the counter-revolutionary search-and-destroy campaign that lasted about one-half of a month, both the Malaysian and Thai military authorities not only failed to achieve their objectives but suffered a heavy loss of life.

The large-scale combined military operation was a new form of cooperation by the two authorities since the failure of the Daoyai-Musnah operation and the Chahaya Bena operation, which were launched in 1977. In the combined operation, code-named "Operation Taksin," the Malaysian-Thai military authorities used 800 soldiers on each side. The Malaysian reactionary group placed a large number of the security forces in a hilly jungle region on 5 and 6 February. The Thai military authorities began their attack on the lower region of the jungle on 9 February. The Malaysian and Thai military carried out surveillance on the border regions of the two countries with the objective of wiping out our soldiers, who were operating in the region.

Our soldiers, who were prepared to put up a stiff defense, had planted a number of land mines in the jungle region, so the Thai and Malaysian soldiers stepped on the landmines when moving in their respective areas. More soldiers were trapped in the region because they did not know that the area was booby-trapped and, moreover, those enemy soldiers did not know where our soldiers were stationed. Even though the Thai soldiers found and occupied an empty camp left by our soldiers during the operation, the enemy soldiers did not escape stepping on the land mines planted by our soldiers.



As the operation was being launched, the military groups from the Malaysian and Thai sectors held meetings on 17 and 25 February in Ipoh and [word indistinct] south for reviewing the joint military operation. After a few days of combing the jungle along the Malaysia-Thai border, the Thai and Malaysian enemy soldiers finally ended the combined military operation on 26 February.

According to a report, in the Malaysian-Thai joint military operation, 6 Malaysian soldiers were killed by the land mines and 20 others were badly wounded by our soldiers. Two Thai soldiers were killed by land mine blasts and 20 others wounded.

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CSO: 4213/139

'MILITANT' KANAK INDEPENDENCE CAMPAIGNER TO TRAIN IN LIBYA

Melbourne THE AGE in English 9 Apr 86 p 7

[Article by Sue Williams]

[Text] NOUMEA, 8 April. — One of New Caledonia's militant independence campaigners is to be sent to Libya for a six-month "training session".

The man selected has just returned from Tripoli where he, with five of his colleagues, took part in a conference of international liberation movements, including the Palestine Liberation Organisation.

He belongs to the rebellious United Front for Kanak Liberation (FULK), one of the six groups making up the Kanak socialist National Liberation Front.

Just what training Mr Wakaawa, a Kanak from the island of Mare, will receive has not been made clear. However, sources within the FLNKS claim that one of the goals of the trip will be to open a FULK office in Tripoli.

The party's leader, Mr Yann Celene Uregel, who has not yet returned from Vanuatu where he

stopped over on his way back from Tripoli, has never hidden his sympathies for the Gaddafi regime or for the struggle for Kanak independence.

It is also believed he has accepted large sums of money from Libya to aid his cause, including about \$A140,000 to finance the FULK delegation's trip to the conference.

The mainstream independence movement, the FLNKS, has not made an official comment on the six months training. However, it is believed the FLNKS would be far from happy about the move.

The front's main decision making body, the politburo, had previously made clear it wanted no ties with Libya or Colonel Gaddafi and subsequently suspended Mr Uregel from his duties as foreign affairs spokesman for the movement when he insisted on participating in the conference.

His future within the movement will be decided at the next FLNKS congress probably to be held in June.

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CS01 4200/972

HIGHLANDS OIL OUTPUT 'ENCOURAGING'

Port Moresby PAPUA NEW GUINEA POST COURIER in English 18 Apr 86 p 17

[Text] THOUSANDS of barrels of oil have flowed in latest testing at a Southern Highlands drilling site.

And Minerals and Energy Minister Mr Kaputin is convinced the find puts Papua New Guinea one step closer to becoming an oil producer and exporter.

He described the results as "very encouraging".

Iagifu No 2 well in one test flowed at the rate of 2353 barrels of light oil a day and 2.22 million cubic feet of gas a day through a one-inch choke at a depth between 2526 and 2536 metres.

In an earlier test, the well yielded 1920 barrels of oil and 10.7 million cubic feet of gas a day.

But a parallel operation at Bala No 1 well in nearby terrain in Western Province had failed and the hole was abandoned April 5.

Mr Kaputin said in Port Moresby the quantity of the Iagifu discovery was not the only significant factor.

"The Iagifu oil is a light variety (API gravity of 45) and is strong evidence for the belief within the Department of Minerals and Energy that PNG is an oil province and not 'gas prone' as some in the oil industry believed," he said.

"The discovery is a significant step forward towards achieving one of the aims of the department — to make PNG an oil producer and exporter."

The well is being drilled by the Niugini Gulf Oil consortium in Petroleum Prospecting Licence No 17.

A spokesman for the group said yesterday that further testing would continue for about a week to determine the "deliverability" of the oil.

Other holes drilled in PNG have shown signs of oil but proved difficult to operate because of the layers of rock which prevented getting the oil out in a commercial form.

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CSO: 4200/971

## PHILIPPINES

### NEW U.S. BASE COLLECTIVE BARGAINING AGREEMENT SIGNED

BK230249 Manila PNA in English 0221 GMT 23 Apr 86

[Text] San Fernando, Philippines, April 23 (PNA)--A new 3-year collective bargaining agreement (CBA) at various U.S. military facilities in Luzon affecting some 2,000 Filipino civilian employees was formally approved Tuesday at Subic Naval Base in Zambales Province after almost a year of negotiations.

Bienvenido Laguesma, regional director of the Ministry of Labor and Employment, described the new CBA as a victory for Filipino civilian base employees considering the numerous additional employment benefits that were granted them by American authorities.

The new CBA was signed in simple ceremonies inside the Subic Naval Base by Admiral Edwin Khon, commander of the U.S. Naval Forces in the Philippines representing the U.S. Armed Forces (USAF), and Roberto Flores, president of the Federation of Filipino Civilian Employees Associations (FFCEA) representing the base employees.

The signing was witnessed by Gen. Charles Luigs, 13th U.S. Airforce Commander based at Clark Air Base in Pampanga, and James Murphy, U.S. labor attache.

Negotiations for the new CBA started on May 7 last year which were marred by at least four deadlocks. The latest deadlock, last March 21, resulted in the general strike of the employees lasting for two days.

According to Laguesma, most of the benefits granted the base employees under the new CBA were even higher in value than those being granted by several progressive commercial firms in Metro Manila to their employees.

With the formal signing of the new CBA, all the base employees will receive on Thursday a signing bonus of 2,000 pesos each (100 U.S. dollars).

Some of the benefits that base employees will enjoy under the new CBA are:

--Year-end bonus of 137 percent this year and 200 percent beginning next year.

--100 percent yearly sick leave payroll for employees within maximum group hospitalization insurance premium a year.

--Payment of non-working holidays declared national holidays by the Philippine Government without U.S. Embassy approval.

--Four hours guaranteed minimum pay in cases of call back work.

--Commission pay employees wage adjustment: basis is constant peso amount for each dollar sales.

--Mid-year bonus 2,000 pesos (100 U.S. dollars) per employee.

The signing of the CBA also prevented the holding of another general strike by employees which was scheduled this week.

The employees declared a strike last March 21 to April 1 in view of the deadlock in the CBA negotiations and the repeated refusal of American authorities to grant their major demands, including severance payment upon resignation of an employee.

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CSO: 4200/73



PROSPECTS FOR PEACE, ECONOMIC RECOVERY ANALYZED

HK040644 Hong Kong AFP in English 0157 GMT 4 May 86

[Article by Teodoro Benigno]

[Text] Manila, 4 May (AFP)--President Corazon Aquino needs massive foreign aid, honest and dedicated technocrats, a new set of priorities, rural peace and lots of luck to revive the battle-scarred Philippine economy, analysts said.

As she undertakes her toughest assignment after 10 weeks in power, economists are agreed that the Philippine president has about three years to turn the economy around and beat back a mounting communist rebellion.

The Philippine economy was flattened by the 20-year-rule of deposed President Ferdinand Marcos and in 1984 and 1985 enjoyed the dubious distinction of being the only economy in Asia to register negative growth, sliding back by about 10 percent.

The dismal facts and figures confronting Mrs Aquino and her economic advisers read like an operating room chart, analysts said, citing:

--a total of 750,000 Filipinos yearly joining a labor force now estimated at 21 million, with unemployment at an all-time high of 15-20 percent, and underemployment at 35 percent, according to official and semi-official figures.

--An adverse trade balance of 577 million dollars for 1986.

--Dwindling per capita income of 660 dollars per year, the poverty line being 2,800 pesos (\$136) per family per month, with 70 percent of a total 54 million population subsisting below this poverty threshold.

--Less than 50 percent of manufacturing capacity is utilized with the government gaining ownership of over 350 bankrupt or wobbly private corporations whose liabilities range from 250,000 to 1.3 billion dollars.

--An external debt of 25.5 billion dollars. Debt servicing alone takes up 40-50 percent of total exports, or about 2.5 billion dollars.

As a group of University of the Philippines economics professors recently said: "Now may be our best--and last--chance of economic recovery."

But bleak as the statistical ledger may be, analysts said, the Aquino Government starts out with the following advantages:

--A highly popular government with the support of the business community and the Roman Catholic Church, not to mention the United States and Japan whose strategic stakes here could compel them to extend maximum aid.

--The United States two largest overseas military bases are in this country and Japan's oil lifeline to the Middle East is assured by these bases.

--Despite some criticism, Mrs Aquino's cabinet has credibility. Trade and Industry Minister Jose Concepcion, Finance Minister Jaime Ongpin, and Economic Planning Minister Solita Monsod are expected to efficiently man the economic program.

--Of late, the international economy has strongly rebounded, auguring profitable markets for Philippine exports.

--The program's stress is on small and medium scale agriculture as the locomotive to turn the economy around, a significant departure from previous addiction to massive prestige industrial projects and agricultural monopolies.

Regarding foreign aid, Agrarian Reform Minister Heherson Alvarez has mentioned a "mini-Marshall plan" where Washington could extend a billion dollars annually over a five-year period to the Philippines.

But nothing concrete has come out of soundings in Washington on this plan, said to be advocated by some Democrat leaders. Meanwhile over a billion dollars are available or can be tapped soon, according to Mr Ongpin.

Topping the availability list are 580 million dollars by 30 June under current agreements with the International Monetary Fund and creditor banks, and 214 million dollars in economic support funds under the U.S.-Philippine bases agreements.

The United States has also pledged 100 million dollars in supplementary economic aid, while an additional 170 million dollars is [word indistinct] from Japan in import reimbursements. The Asian Development Bank has coughed up a 100 million dollar infrastructure loan.

Assets listed by the Aquino Government from the Marcos family and the former president's "cronies" here could also be tapped for the economic program. These assets reportedly amount to from 500 million to one billion dollars.

Waiting in the forest glades to pounce on the recovery plan, analysts said, is the 15,000-strong communist New People's Army (NPA).

For the NPA leadership, the plan, heavily funded by Washington, could smack of "American imperialism" and the recent resurgence of NPA activity could be aimed at knocking the Aquino Government off-balance, the analysts added.

With the coconut and sugar monopolies of the Marcos regime already busted, Mrs Aquino is out to diversify agriculture from its traditional crops which include rice and timber to non-traditional crops.

According to some of her planners, these would include cacao, oil palms, fruit trees, coffee and aquaculture, an agri-industrial grid that could easily top the 1.37 billion dollars in Philippine agricultural commodity exports.

This could touch and substantially improve the lives of 38 million Filipinos living in the countryside and break the back of the 18-year-old NPA rebellion which flourished under the Marcos regime, analysts said.

The plan, however, extends into the heart of NPA country and it remains to be seen whether the rebels will accept her ceasefire proposal.

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CSO: 4200/978

MALAYA COLUMNIST ANALYZES AQUINO'S POLICIES

HK241258 Quezon City ANG PAHAYAGANG MALAYA in English 16 Apr 86 p 4

[Column by Renato Constantino: "The Continuity"]

[Text] Two points emerged in the course of Pres. Aquino's first television dialogue: the importance she attaches to foreign aid, and her view that the economic crisis is traceable primarily if not solely to the thievery of Marcos and his cronies.

The President was quite sanguine about aid from the United States. She expects it soon and in substantial amounts as a sort of reward for a job well done. She recalled that Pres. Reagan had promised the Philippines more aid if elections were clean. Now that we have proven that we can change the government in a peaceful manner, she added, the U.S. should have no reason to deny us that aid. Newspapers have reported the President as saying she now sounds like a broken record. Whenever foreign visitors express their admiration for what the Filipinos have accomplished, she asks them to demonstrate their goodwill materially by giving us aid.

Mrs. Aquino reiterated her campaign line that the issue was Marcos. His gross corruption had brought on the crisis. His lack of credibility dried up foreign assistance. Her administration on the other hand has both credibility and popular support and therefore aid may be expected. She wants it in massive doses and expects better terms. According to news reports, the administration feels that Marcos agreed to the onerous terms of some loans because he wanted to pocket the money.

This rosy view appears to be based on two misimpressions: First, that foreign aid is altruistic assistance granted on the basis of the integrity and popularity of the beneficiary; and second, that foreign aid, if administered honestly and efficiently, will solve our problems of poverty and underdevelopment.

The experience of every indebted country proves that advanced capitalist states give loans to developing countries to facilitate their penetration of the latter's economy for greater profit extraction, that loans shape the recipients' economy to serve the needs of the loan givers and finally, that with the economic program imposed through the network of loans, borrowers

just sink deeper and deeper into debt. We are not the only ones. For example, South Korea's \$3.3 B debt in 1973 rose to \$36 B in 1982. Chile's was \$4 B in 1975, \$23 B in 1985. Third World debt was \$350 B in 1978, rose to \$810 B by the end of 1983, and is now estimated to be nearing the trillion dollar mark.

The fact that the administration has dispatched the Minister of Finance and the CB [Central Bank] Governor to ask the U.S. to speed up the release of millions of dollars in aid and for the U.S. to urge the IMF and creditor banks to make available \$600 M in previously approved funds suggests very strongly that the Aquino government is merely continuing the economic program of the Marcos administration.

The retention of Fernandez and the strong support the President gave Ongpin in the face of the revelations that he had worked for a Romualdez-owned company for twelve years bolsters the conclusion of economic continuity. The President seems to be following Richard Holbrooke's advice (NEWSWEEK, April 14, 1986) that she give Ongpin "an unambiguous mandate in [words indistinct] sphere."

There has been no reexamination of this economic program from the point of view of the Filipino people. The thrust is still to restore the confidence of the IMF and the creditor banks in order to enable the Philippines to borrow more money and to get better debt repayment terms. The quid pro quo is compliance with the IMF conditions on hospitality to foreign investments, export orientation, and privatization of government-held enterprises.

While awaiting the action of the Americans, and of the Japanese Government from whom aid is also being asked, the new government seems to be subsisting on the daily achievements of the Commission on Good Government in unearthing the Marcos loot. This may lead to expectations that the Marcos wealth once confiscated will solve our financial problems.

The other commission that is gaining the attention of the people is the Commission on Human Rights which is reopening cases of salvaging and other forms of injustice. These two commissions have been gaining publicity mileage as vehicles for the administration's objectives of cleansing the government of malefactors and violators of human rights. However laudable, the work of these two commissions should not be the media centerpiece of the new government. It was not elected only to search for the Marcos wealth nor to expose the violators of human rights. People expect it to pursue a path of development different from Marcos' so that it can eliminate poverty and underdevelopment.

These two problems must be placed in correct perspective, as consequences of an economic program that originated from external institutions. Marcos was not the sole source of the crisis. Rather, his emergence was part and parcel of neocolonial domination. The hiddle wealth and the accompanying violations of human rights were to a large extent consequences of the economic programs that were pursued.



The dismantling of the Marcos structures of repression and plunder is indeed important but more than this should be the elimination of neocolonial structures that have resulted in our lack of freedom to plan our national life. To play up only the excesses of Marcos may in fact conceal the anti-nationalist economic goals which have been for decades the real causes of Philippine underdevelopment.

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CSO: 4200/73

REPORTAGE, THEORIES ON MARCOS' PLANS, STRATEGIES FOR RETURN

AFP: Assassinations Planned

HK301405 Manila PHILIPPINE DAILY INQUIRER in English 29 Apr 86 pp 1-2

[Article by Bing Formento]

[Text] Mercenaries and troops still loyal to deposed President Marcos are reportedly planning to launch commando-type assaults in Metro Manila to assassinate President Aquino, Vice President Salvador H. Laurel, Defense Minister Juan Ponce Enrile and Armed Forces of the Philippines [AFP] Chief of Staff General Fidel V. Ramos.

This was disclosed yesterday by AFP authorities, pointing out latest military intelligence reports. The same reports also claimed that some 5,000 loyalist troops, under the command of Brig. Gen. Thomas Dumpit, have regrouped in Ilocos Norte and Ilocos Sur. The loyalist detachments are reportedly in possession of 60 armored personnel carriers and several light artillery pieces.

Earlier, Ramos warned military personnel, both in the active service and retired, who are reportedly involved in anti-government demonstrations staged by Marcos loyalists.

Ramos' warning followed intelligence reports that loyalist troops had been able to draw P20 million from the funds of an intelligence unit. The money is reportedly now being used to buy arms and ammunition.

AFP intelligence reports indicate that loyalists, composed of former members of parliament, ousted local officials, certain AFP officers and enlisted men, constitute "the most serious threat" to the Aquino administration.

The loyalist forces in the north have been able to establish checkpoints along the National Highway from Pagudpud, [words indistinct] Norte to Patapat, Cagayan, stopping buses and vehicles carrying government soldiers, and "grilling Cagayanos," the same sources said.

AFP authorities, however, said that the routes passing through Pangasinan, Nueva Viscaya, Ilabela on through Tuguegarao, Cagayan are firmly secured by government troops.

The intelligence reports also said that in Metro Manila certain loyalist officers and soldiers are "playing possum with the new (NAFP) but are maintaining contact with their leaders."

The loyalist troops based in the capital region are reportedly busy "procuring high-powered firearms--including Israeli-made UZI machinepistols--and ammunition to beef up their existing arms cache."

Intelligence estimates place the loyalists' strength at "about five percent of the NAFP, consisting mainly of former members of the defunct Presidential Security Command and National Intelligence and Security Agency."

Ramos told newsmen that AFP units are now "acting on the intelligence information" about the loyalists' destabilization plans. Other AFP sources said, "Expect some action in the next few days when the NAFP starts to close in on the loyalists."

The AFP high command has also ordered the fielding of more intelligence operatives to "more carefully monitor the loyalists' movements."

In a related development an AFP intelligence officer told the INQUIRER the military has not received any information on the New People's Army "sparrow unit" (liquidation squad), recently reported to be operating in Metro Manila.

#### Link to Canoy's Separatists

HK231533 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 23 Apr 86 pp 1, 7

[Article by Melchor Parale]

[Text] The New Mindanao Independence Movement launched by former presidential bet Reuben Canoy was instigated by deposed President Marcos for his return to the Philippines via Mindanao, a self-exiled political leader from the south who arrived recently said yesterday.

Former Con-con [Constitution Convention] delegate Dominador Carillo of Davao Del Sur, who fled to the U.S. to escape a presidential detention order issued by Marcos against him for leading a boycott of the 1981 presidential polls, also said some former KBL stalwarts are getting secret instructions from Marcos for funding of support for the Mindanao separatist movement.

Carillo, who is also national vice president of Mindanao Alliance, said plotters of the movement who are in the country have set a timetable "to prepare and hand over Mindanao to Mr. Marcos."

Carillo said he had gained access to documents linking Marcos to the movement and his principals working right in Manila.

He said one of the coded secret instructions sent by Marcos carried the following message: "I shall return via Mindanao."

Among those identified by Carillo as working for the movement were four former Cabinet members under the Marcos government.

Carillo recalled that he was about to join and work actively for the movement, thinking that it was only for full autonomy for Mindanao.

"I turned my back when I learned from documents that its aim is to separate Mindanao, which was never the idea of our group," Carillo said.

Carillo also paid a courtesy call on Vice President Salvador Laurel at the Executive House yesterday.

#### Columnist Charges 'Orchestrating'

HK230959 Quezon City ANG PAHAYAGANG MALAYA in English 15 Apr 86 p 4

[Column by Luis Mauricio: "Method in Their Madness"]

[Text] Last Sunday's papers reported that, while Ferdinand E. Marcos was claiming that he still is the president of the Philippines and, therefore, immune from suit before any American court, Arturo M. Tolentino was at the same time claiming that he is the elected vice-president, but that he is not taking his oath as such as yet until after three million more Filipinos has added their signatures to those of two million others who have already signed a document asking him to assume the position.

(If there is such a document with two million signatures, it must be the most well-kept secret in the world today. But that is beside the point.)

It is not sheer coincidence that these two repudiated leaders, thousands of kilometers of vast Pacific expanse apart, should be making fantastic claims that run along the same groove. There is method even in what appears to be KBL madness.

During the last fortnight, there has been a flurry of unusual high-profile activity by Marcos fanatics and all sorts of Marcos-Tolentino followers.

The circumstances surrounding each of these latest events indicate that the deposed dictator is still orchestrating, from his hideout in Hawaii, all his loyalists' moves that are meant to produce the long-range effect of destabilizing the Aquino government.

Stirrings of this renewed activity became evident two Sundays ago, when some 2,000 Marcos loyalists held a rally at the Luneta. It was good for laughs, not only because Tolentino spoke before them (nobody in his right mind takes his word seriously these days), but also because one cannot conceive of KBL partisans voluntarily attending a rally unless they are transported in mass (hakot is the vernacular for it) and unless they are given a reasonable stipend say P50, for all that trouble.

However, the loyalists' feverish activity started getting into high gear the weekend before last, when Marcos, having acceded to interviews with American broadcast mediamen, arranged to be interviewed, through remote control facilities, by a radio announcer-commentator based in Manila.

And Marcos knew whom to pick as "interviewer." It was Rafael Yabut, a back-room lieutenant colonel who used to be a rabid Macapagal lapdog until he became a rabid Marcos lapdog, following the mysterious dismissal of rape charges against him. After the February revolution, Yabut was beginning to sound like former Labor Minister Blas Ople: He started condemning the Marcos couple for betraying their followers by having engaged in unprecedented looting of the national treasury to an extent and in proportions far beyond the wildest dreams of their admirers. But when he heard his master's voice once again, Yabut returned to his former status as a Marcos idolateer.

Knowing how Marcos slimily operates, we are certain he must have selected Yabut because he knew that the latter, after weighing all considerations, would give the interview the widest and fullest dissemination over the air; and knowing Yabut's fiercely canine loyalty to his master (whoever he is at the moment), we are certain that he did what Marcos told, or expected, him to do--but only after weighing all considerations.

The Marcos interview was the signal the Marcos fanatics were waiting for.

Immediately thereafter, thugs, riff-raff and baranggay tanod (guard) on the take--the kind that made up Imelda's hakot crowd--converged around the radio station from which Yabut spewed out his daily spiels. On the pretext that they were there to protect Yabut from pro-Cory people (as if anyone would want to soil his hands with Yabut blood), they set up barricades on EDSA (Epifanio de Los Santos Avenue), in obvious imitation of the "people power" which stopped the Marcos-Ver tanks and guns during the four historic days last February.

This was followed by the threat of KBL local government officials in the Ilocos to resort to armed resistance if the Aquino government persisted in replacing them with OICS. Simultaneously, the macho actor who sat as mayor in San Juan, Metro Manila, maneuvered his supporters into blocking his successor's assumption of office without himself being blamed for it.

Then last Sunday, another loyalists' rally was held at the Luneta, with Tolentino still getting the star billing, but this time with a bigger crowd to hear him claim that he is the duly elected vice-president.

All of these highly synchronized (and undoubtedly well-financed) skirmishes were the prelude to the grand show--the convening yesterday of KBL stalwarts (some call themselves PNP [Philippine Nationalist Party] members, but they are fooling nobody), all protesting their sudden unemployment and dislocation due to the death of the Batasan caused by drastic surgery.

The KBL hierarchy, upon the dictation of Marcos (although Ople does not want to acknowledge this publicly), hopes that through all these exercises, sufficient mass action would be generated nationwide in demonstration against the Aquino government.



The Marcos puppets expect to draw into their ranks the great number of disgruntled, disappointed and disillusioned Coryites, especially the lowly government employees deprived of their jobs by the trigger-happy eager beavers among Cory's OICS and other minor satraps.

The KBL manipulators reckon that, by the time the mass actions have gone into full swing, their hero and his moles (the dummies of known Marcos cronies) in the Aquino government will have succeeded in freeing, or defreezing, their sequestered assets and hidden wealth.

They would then be able to mount a well-oiled revolution to bring back to power Marcos, Imelda, Ver and the entire kit and kaboodle. Tuloy ang ligaya. [On with the show].

Such stuff are dreams made of.

#### Supporters Arrested in Riots

HK021028 Hong Kong AFP in English 1021 GMT 7 May 86

[Text] Manila, 2 May (AFP)—The police Friday filed charges against 78 persons arrested Thursday in riots involving rival supporters of President Corazon Aquino and her ousted predecessor Ferdinand Marcos, a police officer said.

Earlier, Mrs. Aquino issued a stern warning to Marcos supporters, whose attempts to disrupt a May Day rally Thursday sparked street fighting that left dozens of combatants, bystanders, journalists and policemen injured.

Police Lieutenant Teofilo Tan said 78 alleged rioters had been arrested and charged with simple disobedience and causing alarm and scandal—minor offenses with a maximum penalty of one month's imprisonment, with an option to pay bail. State prosecutors in Manila confirmed the charges had been filed.

"We assume that most of them are loyalists," Lt Tan said, referring to the thousands of diehard supporters of Mr Marcos who had been staking out the U.S. Embassy here to press for Mr Marcos' return from exile.

Hundreds of riot policemen used teargas, baton charges and powerful fire hoses to break up the 15-day-old stakeout after Thursday's fighting.

Homemade bombs, rocks and soft-drink bottles were used in Thursday's riots, which erupted while Mrs Aquino addressed the May Day rally in a park nearby.

At least 30 people—two with gunshot wounds—were taken to hospitals here. The police and hospitals denied a newspaper report that an ice cream vendor was killed in the fighting. Two other newspapers said two other bystanders had been killed, but did not identify them.

"We shall give peace a chance. One more chance and we will give it our best efforts. This nation cannot continue in its agony," Mrs Aquino said in a speech marking the 50th anniversary of the Philippine Air Force.

"Our new democracy has been criticized because it is tolerant of agitation. This is regarded by certain ignorant quarters as weakness. It is not. It is the clearest sign of our concrete confidence in our strength," she told some 3,000 servicemen and 5,000 civilians gathered at a suburban Manila airfield.

"The pinpricks of bought and benighted (Marcos) loyalists will not provoke us to violate the basic principles for which we struggled, and make us no better than the tyrant we deposed," she said.

"The attack of obstinate fanatics will not deflect us from our course to lasting peace. The armed forces know how to defend our people. And they will, but without jeopardizing the peace initiative we have made."

As the riots raged in central Manila Thursday, Defense Minister Juan Ponce Enrile told a forum held by a suburban dentists' organization: "If ever Marcos sets foot on this land, we will arrest him. I cannot even guarantee his safety if he will return to this country."

Official spokesman Eduardo Pangilinan quoted Mr Enrile--a former Marcos ally who led a military mutiny that led to Mr Marcos's downfall in February--as having said Marcos supporters staging protests here were trying to drum up support for his return. "They are living in fantasy," Mr Enrile remarked.

Asked what charges would be used to justify Mr Marcos's arrest Mr Pangilinan cited graft charges filed here by several individuals and groups.

In her air force anniversary speech the president praised the air force for its contribution to the February rebellion. "Today we honor the Philippine Air Force for what it did not do during those fateful days in February when the life of this nation hung in the balance and the air force tipped the scale in its favor," she said.

She specifically cited the dramatic defection to the rebel side of a helicopter gunship group sent by pro-Marcos generals to attack two Manila military camps where a small faction of rebel troops had holed up.

#### Attorney Gives Views

HK050407 Hong Kong AFP in English 0358 GMT 5 May 86

[Text] Manila, 5 May (AFP)--Ferdinand Marcos wants to return to the Philippines as soon as he gets a passport, a lawyer of the deposed president said here Monday.

Former MP Rafael Recto, who said he last met Mr Marcos about 18 hours before in Honolulu, told reporters here that the government of President Corazon Aquino refused to reissue Mr Marcos's cancelled passport for fear of his return.

"As soon as he is given a passport, my reading of his mind is he wants to come back to the Philippines," the prominent Manila lawyer said.

Mr Recto said he did not know if the ailing Mr Marcos, 68, who was toppled by a military-civilian revolt in February, wanted to come back to retake power, defend himself in court, or simply settle in his homeland.

But he said Mr Marcos "still believes he is president of the Philippines" and "as far as I'm concerned he is still the president."

Mr Recto said "he is not in exile, he was forced out of the Philippines." "This government wants to keep him out of the Philippines because they're afraid of him," he said. "He will come back, sooner or later," he added later on.

Manila cancelled the passports of Mr Marcos's 90-strong entourage flown by U.S. military aircraft to Hawaii after the revolt, and warned that a third country that would take him in would be considered hostile.

Observers say the Aquino Government wants Mr Marcos in the United States until after it consolidates control of the Philippines, which the exiled leader ruled for 20 years, and seizes an allegedly plundered fortune of more than five billion dollars worldwide.

An estimated 350 million dollar cluster of buildings in New York allegedly owned by an offshore Marcos front company was frozen by U.S. courts following suits filed by Manila to gain ownership.

But the U.S. Government last week officially and publicly pressed for the reissuance of a passport to Mr Marcos so he can settle outside the United States.

Vice President and Foreign Minister Salvador Laurel said Sunday that President Ronald Reagan "asked us to reconsider" the stand on Mr Marcos's passport during their 1 May meeting in Bali.

Hawaii Governor George Ariyoshi earlier complained that Mr Marcos's presence was dividing the large Filipino community there.

Mr Recto said Mr Marcos wants to face any charges filed against him here. He said that the only formal charges filed here against Mr Marcos, involving alleged graft, were bailable.

"He has no military. He has no money," the lawyer said as he questioned Manila's refusal to issue the passport.

Mr Recto, a former member of the anti-Marcos opposition here, disclosed that he had asked Mr Laurel to give the former president back his passport last month but was turned down. On possible sanctuary in a third country, he said, "why will he go anywhere else? This is his country."

He said Mr Marcos was determined to return despite the threat of Defense Minister Juan Ponce Enrile, whose mutiny against Mr Marcos sparked the revolt to arrest him.

Mr Recto, who stressed that he was merely expressing his personal views and was in no way Mr Marcos's spokesman, dismissed the Aquino Government's charge that the exiled president was financing opposition protests here.

"Marcos isn't having a good time in Honolulu" even though "he's got some money," said Mr Recto, who added that Mr Marcos was only partially paying for his visits to Honolulu. "I haven't received a single centavo from President Marcos for (attorney's) fees yet," he said.

He said Marcos loyalist demonstrators who were dispersed by police following a May Day clash with Aquino followers were exercising their rights in protesting against the government, and were using their own funds.

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CSO: 4200/978

MUSLIM GOVERNOR ACCUSES 'ARAFAT OF AIDING MORO REBELS

BK220929 Manila PNA in English 0921 GMT 22 Apr 86

[Text] Manila April 22 (PNA)--A Filipino Muslim political warlord today exposed the alleged plot of Palestinian Liberation Organization (PLO) chieftain Yasir 'Arafat to finance the separatist movement in southern Philippines.

In talks with reporters here, Governor Ali Dimaporo of the predominantly Muslim province of Lanao del Sur, 800 km south of here, said 'Arafat had asked the Muslim secessionist guerrillas to submit their requirements for funding in their struggle for political autonomy.

The guerrillas, representing the outlawed Moro National Liberation Front (MNLF), had been waging political and armed struggle against the Philippine Government for the secession of the southern Philippine islands from the Manila central government.

One of the MNLF leaders, Macapanton Abbas, is here for talks with the government of President Corazon Aquino but the chief executive, barely two months in office, appeared lukewarm.

Dimaporo, who has been ordered booted out from his office by the Aquino government, said the MNLF had informed him that it was giving President Aquino only until the end of May to hold talks with the separatists.

If by that date nothing would happen, Dimaporo said, the separatists movement would resume armed offensive against the Philippine Government.

Some 200,000 people, both military and civilians, had been killed since the MNLF waged its armed campaign in 1972.

The fighting simmered down in 1976 following the signing of an agreement between the government of former President Ferdinand Marcos and the MNLF in Tripoli, Libya, giving the Filipino Muslims political autonomy.

But the MNLF had complained, saying the government did not implement the autonomy accord.



Dinaporo said the MNLF would resume its armed hostilities in the south if the Aquino Government would not implement the Tripoli Accord by the end of May this year.

He told newsmen that at least two MNLF leaders had contacted him, asking him to relay to the Aquino Government their warning of a possible renewed conflict in southern Philippines.

He added that 'Arafat had promised the separatist guerrillas firearms in their bid to gain the independence of the southern islands of Mindanao, Sulu and Palawan.

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CSO: 4200/73

GERMAN GREENS URGE RELEASE OF POLITICAL DETAINEES

HK240833 Quezon City ANG PAHAYAGANG MALAYA in English 14 Apr 86 p 3

[Article by Chit Estella]

[Text] A visiting German radical political party urged President Aquino yesterday to order the release of all other political prisoners, most of whom are still reportedly detained in the provinces, and to give justice to all victims of political repression.

Through its representative, Wilfried Tekaemper, Die Grunen or the Green Party of the Federal Republic of Germany, which is involved in peace and human rights efforts, said it has been "aware of the sufferings of the people of the Philippines."

The party said it is particularly aware that these sufferings were "due to U.S. support for President Marcos" who, right up to his last day, was called a friend by Ronald Reagan.

"We strongly hope that in the future, Filipinos will become politically and militarily independent and in so doing, become a stabilizing factor in the very important region of Southeast Asia," the letter to Mrs Aquino said.

In an interview with reporters, Green Party representatives said the new Philippine Government must pay attention to its labor and agrarian problems in order to protect its gains in the revolution.

They also revealed that the party, albeit comprising a minority in the German parliament, will pressure their government to review its aid and other projects in the Philippines. This, they said, was because these projects will not achieve true self-reliance and industrialization for this country.

One such project cited was the Dagat-Dagatan. The Green Party representatives said it was a German firm which undertook the reclamation project that subsequently caused floods in the surrounding areas.

They further said that the German corporation is negotiating with the Philippine Long Distance Telephone Co. to "modernize" the telephone system here. But, the German delegates said, while such a project may instantly upgrade phone services here, it would never acquire for the Filipinos the expertise and know-how they need to be self-reliant.

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CSO: 4200/73

PAPER DISCUSSES HUMAN RIGHTS PRONE OF AFP

HK230323 Quezon City NEW DAY in English 19-20 Apr 86 p 5

[Article by Marites Danguilan-Vitug]

[Text] The ongoing investigation into human rights violations by officers and men in uniform is becoming a sore point between the Aquino government and the Armed Forces.

But President Corazon Aquino stands by her decision—to look into such abuses committed under the Marcos regime—and cleanse the military of indecent elements.

The military is divided on the issue: Some resent the probe, feeling it is putting unnecessary focus on the Armed Forces, a target for disdain or contempt, thus leaving it out of efforts for national reconciliation.

Others are more open-minded. They welcome the investigation and believe only a minority in the military will be affected. These quarters also reason that a purge is needed to professionalize the AFP [Armed Forces of the Philippines].

"Now is the day of reckoning for all abusive soldiers.... We are not bothered by a purge of the AFP," said junior officer and reform movement member Lt Greg Catapang.

But Catapang cautioned the government in its handling of the Armed Forces. He said the general feeling in the military is fear and hostility because of the threatening stance of the human rights committee as portrayed by the press.

Lt Raffy Tadeo, also a reformist, said that because of threatening statements, many in the military are starting to think like a pack: "Everyone feels guilty, that we're part of the mess."

Between the exchange of arguments are spates of news reports naming certain members of the Armed Forces as human rights violators, some cases documented, others not. Some newspapers carry screaming headlines, almost threatening to the military, as if the entire organization were a killing machine and the committee a vulture eager to pounce on its prey.

In the maze of such newspaper reports, the concept behind the creation of the committee is lost, its purpose muddled, the real status of its activities hyped. This has also led to emotional reactions from the soldiers who now insist the rebels should also be investigated for their abuses.

Some officers, led by Defense Minister Juan Ponce Enrile and Chief of Staff Gen Fidel Ramos, have started to toe this line. Initially, Enrile welcomed the creation of the human rights committee and extended the full cooperation of the Defense Ministry in the investigation. Of late, however, he has changed his tone and instead urged Mrs Aquino to grant equal and just treatment to soldiers echoing the sentiments of some reformists: If the government could grant amnesty to rebels responsible for killing civilians suspected to be pro-government, "then the combatants should be equally and justly treated as well."

Ramos, in a recent speech before businessmen, said: "If there is general amnesty to all communist rebels, there should also be amnesty to all soldiers."

Others in the Armed Forces want a low-key investigation within the organization to be conducted by the military officials. They also advocate self-policing.

Lt Col Vic Batac of the Philippine Constabulary [PC] and a key figure in the reform movement, wants to start on a fresh note, with amnesty given to both soldiers and rebels. He suggested that monitoring of human rights violations by soldiers should henceforth be more stern, and that swift action be taken against guilty parties.

But lawyer Haydee Yorac, committee member, explained that they are only mandated to look into abuses by agents of government. The rebels, such as the New People's Army [NPA], are "outside the ambit of law."

Gen Rafael Ileto, deputy defense minister, said in an interview the question of whether to include the NPA or not in the human rights probe depends on the interpretation of the rebels' stature. If the NPA is recognized as a legitimate combatant unit, then the committee should also look into its abuses. But if the NPA is treated as an illegal entity, a band of hoodlums, then it need not be investigated by a special body such as the presidential committee.

Amnesty International official Ed Garcia told NEW DAY an investigation into abuses of the rebels presupposes recognition of the NPA as a legitimate unit: "Special courts or bodies are supposed to look into government which has superior force and is bound to uphold the law."

He said normal courts can try cases involving the rebels Garcia stressed the need to document military abuses because he sees this as having a cathartic effect on the people, together with the recognition of fact and the resolve never to commit violations again.

PC Lt Col Alejandro Flores said in a forum that the Armed Forces, particularly the reform movement, accepts the existence of human rights violations "as a catharsis. We accept the guilt and we want to go back to the people."

Flores said the AFP was used as a tool by Marcos. "There is no reason to abuse now. Those guilty should be punished severely."

Lt Washington Javier explained that the AFP was, under the Marcos years, situated in the wrong context of national security. The military, he said, wanted to extract information; "We lost our pro-people sentiments. We now understand that it is wrong. We want to re-orient the AFP."

The committee as tasked, is only a fact-finding body. It cannot prosecute guilty parties. Victims of abuses, their families and relatives can file complaints with the committee, supported by affidavits.

As of now, the committee has yet to receive complaints since it is still organizing, looking for office space, and setting up a system to process the complaints. The committee is also settling ticklish issues such as defining command responsibility and the scope of its coverage, and whether or not to include rebel groups.

So far, the Diokno committee has come up with proposals to safeguard human rights in the country to include a ban on secret arrests, secret detention places, and solitary confinement, disarming of all paramilitary units and stiffer penalties for maltreatment of prisoners.

The committee has also suggested to Mrs Aquino the holding of formal courses at every level of education to inculcate human rights principles.

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CSO: 4200/73



GOVERNMENT TO OVERHAUL TARIFF STRUCTURE

HK240515 Quezon City BUSINESS DAY in English 23 Apr 86 p 3

[Text] The government will overhaul the tariff structure while implementing a staggered import liberalization program, Trade and Industry Minister Jose S. Concepcion Jr. said yesterday.

Concepcion said the Ministry of Trade and Industry (MTI) will recommend to the World Bank and International Monetary Fund (IMF) the staggered liberalization of imports to enable the government to install mechanisms to shield local industries from unfair competition from imported goods.

He said the implementation in stages of the program to free imports, starting in May with some 149 items, will be accompanied by an extensive review of various local industries in preparation for the government's plan to finally rationalize the tariff structure.

He said the MTI will present today to the Cabinet for approval the list of the first 149 items (out of a total of 1,267) whose importation will be liberalized by May 1.

The items comprise the bulk of basic raw materials for various industries--including chemicals and dyestuffs for the textile industry, iron and steel--and some semi-processed products.

A second batch of items up for liberalization will be discussed by the government with the IMF in the first week of next month, Concepcion said. He did not, however, specify what the items will be.

"A mission will be sent by the World Bank in August and we are going to review various industry sectors to see the kind of potential and growth for the next 6 to 10 years. We will try to rationalize every major industry sector and the final product (of the rationalization effort) will be included in a sectoral plan that will also (take into account) the rationalization of the tariff structure," he said.

He stressed that with the liberalization program in place, the government must be able to come up with necessary mechanisms to protect local industries from competition from imported products.

This way, he said, while the government allows the freeing of trade, it will also institute measures to prevent dumping of imported products on the domestic market.

He said the first items whose importation will be liberalized starting next month are those basic raw materials and semi-processed products which are not locally produced.

This will give local producers of other raw materials enough room to compete for a local market, especially among secondary manufacturers.

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CSO: 4200/73

COMMISSIONER EXPECTS HIGHER BUDGET DEFICIT

HK250039 Quezon City BUSINESS DAY in English 24 Apr 86 p 3

[Text] Revised estimates showing a much higher budgetary deficit for this year were confirmed by Bureau of Internal Revenue (BIR) Commissioner Bienvenido A. Tan Jr. yesterday.

Following his meeting with a member of the International Monetary Fund (IMF) mission currently in the country, Tan said a P35-billion national government budget shortfall is to be expected this year.

The figure Tan quoted is P13 billion higher than the estimate he cited earlier this month before a tax symposium sponsored by the Federation of Filipino-Chinese Chambers of Commerce and Industry (FFCCCI).

Tan said the new estimates were made on the basis of revised figures on net borrowings and earnings of the public corporate sector, particularly the government financial institutions.

He declined to elaborate, however, citing reasons of confidentiality. Officials of the Central Bank earlier estimated that the national government itself will incur about P24 billion in operational losses while another P10 billion in losses will be shouldered by government corporations during the year.

The BIR head likewise deflated earlier internal revenue targets for 1986 made by his predecessor, Ruben B. Ancheta. Instead of Ancheta's P54-billion target, Tan projected a total internal tax collection of only P48 billion, 15.2 percent over actual tax collections last year.

Promising to release actual figures in the next few days, Tan said the tax collection for the January-March period was below expectations.

The national government's deficit for the current year is one of the principal issues being discussed in ongoing talks between local monetary authorities and the IMF mission. The talks are in preparation for the drawing up of a new economic program for the Philippines.

Tan said the IMF official was particularly interested in how much revenues could be raised this year and where these will come from.

The Aquino government has promised not to impose new taxes, to scrap the turnover sales tax and to lower energy and fuel taxes. With the expected budget deficit this year, the government may have to renege on some of these promises, sources said.

"That's a decision that our political leadership will have to make," Tan noted. He said he still has to see how effective the collection of the 1.5 percent turnover tax is before making any recommendation to scrap the tax or not.

Turning his attention to the organization he heads, Tan disclosed that he has submitted to Finance Minister Jaime Ongpin a proposal to return to the old BIR organizational setup where there was a commissioner, a deputy commissioner and two assistant commissions.

Former BIR commissioner Ancheta had two deputy commissioners--Tomas C. Toledo and Romulo M. Villa. According to Tan, he appointed Villas deputy commissioner on an ad hoc basis while Toledo is set to retire by the end of the month.

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CSO: 4200/37

ONGPIN SAYS NUCLEAR PLANT 'NOT TIED' TO DEBT TALKS

HK230431 Manila MANILA BULLETIN in English 22 Apr 86 p 11

[Text] The operation of the controversial \$2.1 billion nuclear plant of the National Power Corp. is not tied up to the renegotiation of the country's foreign debts, Finance Minister Jaime Ongpin said yesterday.

Ongpin said he merely requested the Cabinet for a deferment of a decision on what the government will do with the nuclear plant project.

The finance chief did not explain his reason for the requested deferment of a decision on the fate of the nuclear plant project.

It was earlier reported that renegotiation of the country's foreign debt is tied up with the operation of the nuclear plant.

The Cabinet was supposed to adopt a decision about two weeks ago on whether the nuclear plant will be abandoned or not.

But Ongpin sent a telex message to President Corazon Aquino requesting for a suspension of a decision on the project. He was in Washington at that time on a mission together with Central Bank Governor Jose B. Fernandez to renegotiate the country's foreign debts with the International Monetary Fund [as published] World Bank and other foreign creditors.

The timing of Ongpin's telex message has caused speculations within the Cabinet that the operation of the nuclear plant will be made a condition to the renegotiation of the country's foreign debts.

Ongpin's request for a deferment of the decision on the nuclear plant has also prompted certain Cabinet members to criticize Ongpin's position as being subservient to the country's foreign creditors.

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CSO: 4200/73



**\$25-MILLION SULPHUR-PROCESSING JOINT VENTURE FORMED**

HK230936 Quezon City ANG PAHAYAGANG MALAYA in English 15 Apr 86 p 7

[Text] A P500 million (\$25 million) sulfur-processing joint venture in the Philippines was signed yesterday by a local company and a foreign investment-management corporation based in the United States.

Under the contract signed by Marcelino V. Tagle, president of ICI and Morris Crow, executive vice-president of Sulfex, ICI would develop sulfur deposits in Iba, Zambales. A processing facility which would have a capacity of 2,000-3,000 tons per day of pure sulfur will be set up close to the mine site in Iba, Zambales.

According to Tagle the ICI-SULFEX venture is projected to generate gross revenues of P6 billion (\$300 million) over a five-year period.

This projected revenues include the earnings of a second processing facility which is targeted to be established in Negros Province. The revenue projection takes into account a favorable economic climate that is prevailing in the country and attractive world price of sulfur, Tagle said.

According to Tagle the ICI-SULFEX project is both export-oriented and import-substituting. The bulk of the chemical will be exported in powder form; the remaining production will be set aside for domestic consumption, to save Filipino sulfur users dollars.

The Philippines is currently a net importer of sulfur which is needed for fertilizer manufacturing. The other major user of sulfur is the steel industry.

With the Philippines' proximity to steel manufacturing giants like Korea, Japan, Taiwan and India the ICI-SULFEX project is projected to have a good chance of penetrating the market for sulfur in Asia.

This is aside from the fact that Philippine sulfur is one of the most in-demand worldwide owing to its high quality, said to be similar to the sulfur found in Indonesia.

Aside from the dollar generation and dollar saving features, the joint venture is expected to boost the economy in terms of domestic taxes and employment that would be generated at the two plant sites in Zambales and Negros.

Tagle said that close to 5,000 workers would be needed when the two processing plants are in full operation. This means that close to 30,000 persons will be directly benefitted from the employment alone.

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CSO: 4200/73

NATIONAL DEVELOPMENT COMPANY TO SELL EQUITY

HK230838 Quezon City BUSINESS DAY in English 22 Apr 86 p 8

[Text] State-owned National Development Co. (NDC) has agreed in principle to sell 40 percent of its equity in the International Corporate Bank (Interbank) to American Express Bank, Ltd., (AEB), Trade and Industry Minister Jose Concepcion Jr. said yesterday.

Final negotiations are under way, he added.

NDC owns 99.8 percent of the Interbank.

"The investment by American Express Bank signifies the seriousness of the new government in implementing its policy for reprivatizing government-acquired companies. It is also a clear signal of renewed investor confidence in the Philippines," Concepcion said.

Robert F. Smith, AEB chairman and chief executive said, "We are delighted to become a partner in one of the Philippines' leading financial institutions.

"This is the first new foreign direct investment and first partial privatization since the change in government and is a most welcome development in the Philippines," said Finance Minister Jaime Ongpin, who met with senior American Express officials last week.

"I see it as the first of many such arrangements as our privatization program allows both Filipinos and foreigners to share in the dramatic economic recovery that will take place under President Aquino's government," Ongpin said.

He added that "American Express's vote of confidence in the future of the Philippine economy is clear evidence of the positive view of the overseas business community."

Interbank reported assets of P5.4 billion at the end of 1985 and net income of P90 million. At yearend, return on average assets was 1.6 percent and return on equity was [number indistinct] percent.

For the first quarter of 1986, Interbank reported income of P49 million before taxes and provision for losses.

Incorporated in 1919, AEB, the wholly owned international banking arm of American Express maintains an international network of 85 offices in 39 countries covering all key trade and financial centers and capital markets.

For the first quarter of 1986, AEB earned 344 million with return on average assets of 1.12 percent and return on average shareholder's equity of 15.98 percent.

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CSO: 4200/73

TRADITIONAL EXPORTS EARNINGS GROW 3 PERCENT

HK241531 Quezon City BUSINESS DAY in English 24 Apr 86 p 2

["Economic Indicator" column: "Traditional Exports' Earnings Reach \$107.11 million in February"]

[Text] Export earnings from traditional products grew 3.32 percent in February to \$107.11 million from \$103.66 million the month before, latest data gathered from the Central Bank showed.

The increase was the result of the better performance of coconut products, sugar and products, abaca fibers and mineral products in the world market.

Coconut products accounted for 41.7 percent of total export earnings for the month. In February, total export receipts amounted to \$44.70 million, up 2.84 percent from the preceding month's 43.47 million. Coconut products include coconut oil, desiccated coconut and copra meal/cake.

Despite a 2.76 percent decrease in its unit price from \$370.66 per metric ton in January to \$360.44 per metric ton, as well as a 7.83 percent decline in shipment volume from 97,604 metric tons to 89,963 metric tons, coconut oil earned the most among the other coconut products. Last February, coconut oil exports came to \$32.43 million, accounting for 72.54 percent of the total earnings of coconut products exported.

In contrast, the export volume of copra meal/cake rose 82.08 percent from 50,250 metric tons to 91,496 metric tons. Its price however fell from \$89.93 per metric ton in January to \$88.29 per metric ton in February.

In terms of percentage growth, mineral product exports registered the biggest hike at 41.15 percent, from \$18.65 million in January to \$26.33 million in February. Copper concentrates, which constituted the bulk of mineral product exports, amounted to \$8.96 million. This was 50.54 percent higher than the January figure of \$5.95 million. The increase was due to the 23.42 percent rise in shipment from 24,666 metric tons to 30,442 metric tons. The price also improved 21.98 percent from \$241.38 per metric ton to \$294.43 per metric ton.



Meanwhile, traditional products which registered drops in exports included forest products, fruits and vegetables, unmanufactured tobacco and petroleum products. The biggest decline was recorded by petroleum products, a 60.39 percent decline from \$7.29 million in January to \$2.89 million.

Traditional Exports  
January and February, 1986  
(Volume in metric tons; unit price in US\$  
per Mt; Value in thousand US\$)

	Volume	Feb Unit Price	Value	Volume	Jan Unit Price	Value
Coconut products			<u>44,702</u>			<u>43,469</u>
Copra	--	--	--	--	--	--
Coconut oil	89,963	360.44	32,426	97,604	370.66	36,178
Desiccated coconut	3,266	797.19	4,198	3,396	770.86	2,772
Copra meal/cake	91,496	88.29	8,078	50,250	89.93	4,519
Sugar and products			<u>12,456</u>			<u>10,122</u>
Centrifugal & refined	30,456	386.26	11,764	25,973	334.42	8,686
Molasses	13,000	53.08	690	30,050	47.69	1,433
Others	--	--	2	--	--	3
Forest products <sup>†</sup>			<u>10,843</u>			<u>11,460</u>
Logs	33,786	87.31	2,950	34,597	84.80	2,934
Lumber	23,579	176.00	4,150	26,780	186.93	5,006
Plywood	13,126	211.64	2,778	11,434	202.82	2,319
Veneer sheets/ corestocks	4,955	154.99	768	3,579	224.36	803
Others	--	--	197	--	--	398
Mineral products			<u>26,331</u>			<u>18,654</u>
Copper concentrates	30,442	294.43	8,963	24,666	241.38	5,954
Gold <sup>††</sup>	23,526	341.15	8,026	37,337	321.80	12,015
Chromium ore	1,970	114.72	226	6,016	75.63	455
Others	--	--	9,116	--	--	230
Fruits & vegetables			<u>7,990</u>			<u>10,777</u>
Canned pineapple	8,466	515.95	4,368	14,426	475.53	6,860
Pineapple juice	1,086	242.17	263	5,281	177.43	937
Pineapple concentrates	2,026	625.80	1,266	2,211	587.97	1,300
Others	--	--	2,093	--	--	1,680
Abaca fibers	2,216	549.19	1,217	2,263	517.01	1,170
Tobacco						
unmanufactured	314	2,171.97	<u>682</u>	392	1,854.59	<u>727</u>
			<u>2,887</u>			<u>7,285</u>
Total			<u>107,108</u>			<u>103,664</u>

<sup>†</sup> volume in cubic meters; unit price in US per cubic meter

<sup>††</sup> volume in ounces; unit price in US per ounce

Source: Central Bank

/6662

CSO: 4200/73

SUGAR MILLS FACE CLOSURE AT END OF CROP YEAR

HK180921 Quezon City BUSINESS DAY in English 17 Apr 86 p 13

[Text] A number of sugar mills will be mothballed by the end of this crop year, sources in the industry said.

Indications are that prime targets for closure are the 15 government-financed mills set up between 1966 and 1975, now suffering huge losses.

If the decision will be based on failure to pay debts, the most likely to be affected are the later mills.

These are Agro-Industrial Development Co. of Silay-Saravia, Inc. (AIDSISA) in Silay City, Negros Occidental; Batangas Sugar Central Inc. in Balayan, Batangas; Bicol Sugar Development Corp' Bukidnon Sugar Milling Co., Inc. in Quezon, Bukidnon; Calinog Lambunao Sugar Mill, Inc. in Calinog, Iloilo; Cagayan Sugar Corp.; Dacongogon Sugar and Rice Milling Co., Inc. in Hagunoy, Davao del Sur; and Northern Cotabato Sugar Industries, Inc. in Matalan, North Cotabato.

The six others are Ormoc-Rosario in Eastern Visayas, Passi (Iloilo) Sugar Central, Inc., Sagay in North Negros, Southern Negros Development Corporation (Sonedco) in Kabankalan, Tolong Sugar Milling Co., Inc. in Sta. Catalina (Negros Oriental), and United Planters Sugar Milling Co., Inc. in Manjuyod (Negros Oriental).

All 15 mills were financed by Philippine National Bank [PNB]. As of Dec. 31, 1981, they had outstanding obligations of P3.90 billion, including accrued interest, of which P3.09 billion was past due.

In addition, P1.32 billion in "contingent accounts" will mature in 1988.

As early as 1973, PNB had proposed refinancing the unpaid accounts. It was in 1984, however, when Philippine Sugar Corp. (Philsucor) was set up as a "partnership" of the Philippine Sugar Commission and PNB ostensibly to make the mills' operations viable.

The idea was that the sugar corporation would initially float P3 billion in sugar bonds to be guaranteed by the Philsucom and to mature in 10 to 30 years with a nominal annual rate of interest of 4 percent.

The bonds were to be sold to PNB and the proceeds used, together with the initial paid in capital of P125 million, to buy the mills' unpaid accounts with PNB.

The corporation was then to convert the mills' accounts into equity.

In January 1984, PNB agreed to invest P43 million as its paid-up contribution on 35 percent subscription of the capital stock of Philsugar and to give Philsugar a 10-year loan of P82 million for its paid-up contribution on 65 percent subscription, provided that annual amortization would be P8.2 million plus interest at cost and interest would be paid annually on maturity of principal of the loan.

"There will be no cash outlay for the bank since the amount will be used by (Philsugar) to pay PNB for the sugar mills' accounts to be transferred," then PNB president, Placido L. Mapa Jr., said in a memorandum to the PNB board of directors.

A month later, the accounts of 13 PNB-financed mills totaling P2.95 billion were transferred to Philsugar.

Industry sources said AIDSISA, Sonedco, Passi and Davao mills have severe financial difficulties and there is excess capacity in their areas.

A total of 39 sugar mills are operating. If 15 are closed, 24 mills will be left for next crop year, which will start in September. Their capacity will be enough to produce the 1.3 million piculs of sugar targeted for production, sources said.

The lucrative U.S. market for sugar is expected to dwindle continually and reach zero by 1990, so there is hardly any need to continue operating the 39 mills, sources added.

"They have to minimize the government-financed mills' losses," an industry source said, "by stopping operations and dismantling the mills. The equipment and parts can then be sold to the remaining mills. This way, the country will be able to save on foreign exchange, as the remaining mills will not have to import their parts and equipment needs."

The source added that proceeds from the sale can then be used to settle at least a portion of the mills' debts to PNB.

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C90: 4200/73

STUDY NOTES SLOW SCIENCE, TECHNOLOGY DEVELOPMENT

HK241306 Quezon City ANG PAHAYAGANG MALAYA in English 14 Apr 86 p 2

[Text] The Philippines is 20 to 30 years behind its sister Asian countries in the area of science and technology development.

Compared to the United States and advanced European nations, the lag is from 50 to 75 years, according to a National Science and Technology Authority [NSTA] assessment.

The stunted growth of science and technology (S&T) in the country is attributed by NSTA to:

--Lack of government support for S&T as evidenced by public scientific efforts being allocated only a tenth of one percent of the gross national product.

--Local inventions and scientific processes not receiving adequate economic support and at times driven out of the market by imported technology.

The assessment that the "sorry state of S&T in the country" has been made known to national authorities as early as two decades ago.

It implied that neglect of S&T by the deposed Marcos dictatorship is one of the factors which kept the national economy in backward state.

NSTA also tacitly suggested that S&T should be among priority concerns of the government of President Aquino in line with its avowed top mission of significantly easing the nation's poverty problem.

Magnitude of the poverty problem is indicated by government findings that 70 percent of the country's estimated 55 million population exist below the poverty line.

Such massive poverty is reportedly due to the plunder of national resources perpetrated by the Marcos regime during its 20-year rule. The assessment further suggested that the only way to speed up S&T development in the country is to adopt the "strategy of technological leapfrogging."

## PHILIPPINES

### REJECTION OF U.S. 'ADDITIONAL GRANT' URGED

HK250029 Manila THE MANILA EVENING POST in English 23 Apr 86 p 4

[Editorial: "That Man Armacost"]

[Text] Only recently, the Philippines was once again "fortunate" to host a visiting fireman from Washington, D.C., none other than the Undersecretary of State for Political Affairs, Michael Armacost. Mr. Armacost, if you recall, was once an ambassador to the Philippines, and preceded Mr. Stephen Bosworth. "Fireman" Armacost must have brought with him additional expert advice on how to run this new government.

As is usually the case, our guest met with high-ranking officials of the new government and had a long session with the "new opposition" at the Mandarin Hotel. It is understood that he also met with Mr. Tolentino. Before leaving, Mr. Armacost announced with the pride of an alms-giver that the United States would grant the Philippines additional aid of \$150 million. A reward, perhaps?

One wonders, however, what Mr. Armacost had to say about the current state of disarray in local government. Was he briefed fully about the rising insurgency problem, the series of carnappings, the squatting, the killings, the smugglings, not to mention anarchy in many parts of the land? What did he advise on the mayhem against the bureaucracy with some 200,000 civil servants now out of a job? Surely, Mr. Armacost must have been apprised of the judiciary today which continues to have the sword of Damocles hanging over its head because all judges below the Supreme Court are now considered casualties. Did Mr. Armacost find his voice on this subject?

Out of self-respect, the Aquino government should reject forthright the so-called "additional grant" the United States has offered. The United States owes us rental, not assistance. And it is insulting to many Filipinos that every visiting fireman from Washington feels obliged to declare whether we have been [good] children, and if we have been, we are offered the "Good Housekeeping seal," a lollipop wrapped in dollars. Upon departure, the great visitor adjures us to "keep up the good work!"

Our next visitor is U.S. State Secretary George Shultz who will be followed by the great White Father himself, Ronald Reagan. Perhaps soon, at the rate they are visiting us, we may become the 51st state and Christmas 1986 will really be a White Christmas.

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CSO: 4200/73



Attributed to Dr. Roger Posadas, one of the nation's recognized scientific leaders, the strategy is defined by NSTA as adoption of selective and relevant technologies and encouragement of locally developed technology.

It said such an approach "would attempt to break the vicious cycle of technological backwardness and dependence through the acquisition of adaptive, replicative and innovative mastery of the advanced technologies."

NSTA added that there is need to institute a strong educational and economic system sympathetic to scientific and technological advancement in the nation.

It explained such a system would enable the Philippines scientific community to set up an extensive, internationally-linked information network that would update science and technology requirements of the country.

Turning to present state of research and development on part of government scientific institutions, the assessment found what it called "absence of a market-oriented approach."

It said the institutions do not put much emphasis on actual research and development needs of the various sectors of the national economy, particularly industry and agriculture.

There is also much duplication and overlapping of work among the institutions and this is due to lack of information exchange and coordination among them, NSTA added.

Another problem found was inability to bring laboratory scale findings or mature technologies into pilot or semi-commercial undertakings because of lack of experimental and pilot plant facilities and inadequate extension services needed to promote newly developed technologies.

NSTA said in terms of content, research and development programs were not generating projects that lead to the turning out of products with higher value added.

It noted that such activities were confined mostly to government research laboratories and that enough support has been extended to other equally capable laboratories in the private sector and academe.

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CSO: 4200/73

## BRIEFS

**AQUINO VISIT TO U.S.**--President Aquino is likely to make an official visit to the United States around mid-November. The president's official acceptance of the U.S. invitation for her first visit was conveyed by Vice President Salvador Laurel during his talks with U.S. President Ronald Reagan in Bali, Indonesia. Laurel was quoted as saying that Mrs Aquino would be able to visit the U.S. by mid-November because the government is expected by then to have finished the planned constitutional amendment [as heard]. It will be Mrs Aquino's first (real) visit as president since she took office last February. [Text] [Quezon City DZFM Radio in English 0300 GMT 3 May 86 HK] /9738

**WORKERS TO BRUNEI**--Labor Minister Augusto Sanchez disclosed a campaign to send more Filipino workers to Brunei. He said as many as 50,000 Filipino [words indistinct] oil-rich nation for a start. That story from Mars Encarnacion: [Begin recording] Sanchez said that we are negotiating with Brunei for the initial employment of some 50,000 Filipino workers and ultimately to employ up to half a million Filipinos in Brunei. At the same time he said the government is encouraging the [words indistinct] entrepreneurialship as one way of solving the country's unemployment problem. This means the putting up of small- and medium-scale industries which are labor-intensive. He also urged local entrepreneurs, industrial [words indistinct] productive enterprises [words indistinct]. Sanchez said we should not rely too much on foreign investments. However foreign capital is welcome in the country. [end recording] [Text] [Quezon City DZFM Radio in English 2300 GMT 2 May 86 HK] /9738

**STEPS TO MUZZLE MARCOS**--The government might take diplomatic steps to stop former president Marcos from reportedly agitating police and military men into disobeying government orders. This was disclosed by presidential spokesman Rene Saguisag who was reacting to a report on whether he knew that, during the police dispersal moves against Marcos loyalists in 1 May, Marcos was calling through a tape for police officers to disobey their superiors [as heard]. Saguisag said the government knew nothing about the Marcos tape, however he added that if it was true the government might be forced to ask the American Government to stop Mr Marcos. [Text] [Quezon City DZFM Radio in English 0400 GMT 3 May 86 HK] /9738

'SUSPECTED' NPA LEADERS CAUGHT--The military today described as a prize catch the capture yesterday of eight suspected high-ranking leaders of the underground New People's Army in barangay Kulit, San Juan, Batangas. A senior military official said the capture of the NPA leaders could lead to the revelation of the extent of NPA operations in the southern Tagalog area. The officials said the names of the suspects were temporarily withheld pending results of ongoing tactical investigations. (Saved) from the suspects were 4 M-16 rifles, 10 magazines, 300 rounds of ammunition, and subversive documents which could help the intelligence community decipher the latest NPA plans and operations. [Text] [Quezon City DZFM Radio in English 0800 GMT 24 Apr 86 HK] /6662

NATIONAL SERVICE LAW--At the Education Ministry, Minister Lourdes Quisumbing said the implementation of the controversial national service law will be suspended. [Begin Quisumbing recording] The military service should be under the military, but the educative components of the bill should be under the Ministry of Education, Culture, and Sports because in the NSL [National Service Law], the overall responsibility was under the Ministry of National Defense, so we protested that because we said that the other two components--which are law enforcement and civic welfare--should not be under the Ministry of National Defense but under the minister of education. So that was accepted by everybody but [words indistinct] alternate bill to take its place. Finally, we are not implementing it for this school year. [End recording] [Text] [Manila Far East Broadcasting Company in English 2300 GMT 23 Apr 86 HK] /6662

CSO: 4200/73

GOVERNMENT PROJECTS NEGATIVE GROWTH THIS YEAR

BK231209 Singapore THE STRAITS TIMES in English 23 Apr 86 p 1

[Article by Catherine C. Ong]

[Text] The economy is expected to perform worse than expected this year, government estimates show.

A revised government forecast now expects the economy to shrink by 1.5 percent instead of the zero growth projected earlier.

The downward adjustment by the Trade and Industry Ministry underscores the seriousness of the recession, the worst since independence. "There is...little sign of imminent economic recovery," Acting Trade and Industry Minister Brigadier-General Lee Hsien Loong told about 600 chief executive officers in a closed-door meeting at the Mandarin Hotel yesterday.

In the first three months of this year, growth as measured by the gross domestic product fell by 3.4 percent, compared to the 5 percent decline in the last quarter of 1985.

The downturn started last year when the economy ended the year at minus 1.8 percent.

Other economic indicators reinforced the gloomy picture.

Unemployment is on the rise. A further 19,500 jobs were lost during the first three months of this year, bringing total jobs lost to 130,000 since the peak employment level in the third quarter of 1984.

By the end of March, unemployment stood at 6.1 percent, the highest in 15 years.

Businesses were hit on almost every front. Except for a bright spot in transport and communications, which was bolstered by demand for telecommunications and air transport services, all sectors did poorly.

Transport and communications registered 7.7 percent growth this quarter against 3.6 percent in the last quarter of 1985.

Financial and business services was the only other major sector that was expanding, albeit at a slower rate of 1.4 percent this quarter compared to 2 percent in the fourth quarter of 1985.

Wages continued to rise faster than productivity in every sector except construction and transport and communications.

The rate of return on private capital reached a new low of 15.5 percent last year, less than half the 1972 high of 38 percent.

The rate of return indicates the reward from investing one's money in a business; the higher the return, the greater the incentive to go into business.

The external factors did not help either. "Within the last few months, prospects for the regional economies have, if anything, worsened," Brig-Gen Lee said.

He was obviously referring to Indonesia's problems with the slide in oil prices and Malaysia's woes with depressed commodity prices.

The meeting was organised by the Singapore National Employers' Federation, whose members wanted to seek clarification and guidance on several issues raised by the Economic Committee.

The meeting followed an earlier one Brig-Gen Lee had with the unions to explain the need to hold costs down and help Singapore regain its independence.

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CSO: 4200/947



SINGAPORE

BRIEFS

LEE KUAN YEW BACK--The prime minister and Mrs Lee Kuan Yew returned home from Australia this evening after a 17-day tour that also took them to Fiji and New Zealand. The visit was at the invitation of the prime ministers of the three countries. Accompanying Mr Lee on the tour were the minister for Law, Mr E. W. Barker, and the political secretary for community development, Mr Zulkifli Mohamed. [Text] [Singapore Domestic Service in English 1400 GMT 20 Apr 86 BK]

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CSO: 4200/947

CHEA SIM ADDRESSES KOMPONG SOM CITY FRONT MEETING

BK151550 Phnom Penh SPK in French 1137 GMT 15 Apr 86

[Text] Phnom Penh, 15 Apr (SPK)--Toward those who persist in opposing our revolution, we will take appropriate and concrete measures, said Chea Sim, Politburo member of the KPRP Central Committee and chairman of the National Assembly and of the KUFNCD National Council.

Speaking at a meeting of the Kompong Som municipal front committee meeting which was held on 7 and 8 April, the chairman of the front national council pointed out that with the support of the Chinese expansionists, U.S. imperialists, and ultrarightist circles in Thailand the Cambodian reactionaries continue to be stubborn in their sabotage activities against the Cambodian people. However, he believed these reactionaries can only bring upon themselves the lightning blows dealt by the Cambodian people from all strata who are united under the banner of the party.

Moreover, Chea Sim added, among the enemy henchmen, those who really repeat and defect to the side of the revolution in time would benefit from clemency and might enjoy all civic rights.

The Cambodian leader highly appreciated the achievements recorded by Kompong Som during the past few years, calling them a great contribution to the national defense and reconstruction efforts. He urged all the militants of the front to relentlessly promote the work to consolidate the village-commune administrations and the self-defense forces in order to contribute to ensuring the advance of the Cambodian revolution.

/9274

CSO: 4219/35

BRIEFS

**BATTAMBANG RETURNEES**—During the 1st 3 months of this year, 275 persons misled by enemy propaganda presented themselves to revolutionary authorities in Battambang Province. The returnees, including 50 Pol Potists among them, brought 149 assorted weapons and a notable quantity of war materiel. [Excerpt] [Phnom Penh SPK in French 0410 GMT 18 Apr 86 BK] /9274

**PROPAGANDA, EDUCATION DELEGATION RETURNS**—Phnom Penh, 9 Apr (SPK)—The delegation of the KPRP Central Committee's Propaganda and Education Commission led by its chairman, Khoy Khunhuor, member of the DPRP Central Committee, returned home yesterday afternoon following a 2-week visit to Vietnam. During its stay in Vietnam, the delegation had an exchange of views with the Hanoi Municipal Committee and several provincial committees of the CPV. It also held talks with Dao Duy Tung, chairman of the Propaganda and Education Commission, and Hoang Tung, secretary of the CPV Central Committee. [Text] [Phnom Penh SPK in French 0412 GMT 9 Apr 86 BK] /9274

**HENG SAMRIN GREETES TODOR ZHIVKOV**—Phnom Penh, 9 Apr (SPK)—Heng Samrin, general secretary of the KPRP Central Committee, has just sent warm congratulations to Todor Zhivkov on the occasion of his reelection as general secretary of the Bulgarian Communist Party Central Committee. The Cambodian leader stressed in the message: "The communists, the working class, and the people of Cambodia as a whole highly appreciate all the successes won by the Bulgarian people under the enlightened leadership of the BCP, of which you are the eminent guide in economic, social, and scientific-technical development, in order to build an advanced socialist society in the People's Republic of Bulgaria." "I take this occasion to wish you the best of health, long life, and new success in the accomplishment of your noble task." [Text] [Phnom Penh SPK in French 0408 GMT 9 Apr 86 BK] /9274

**GDR CULTURE MINISTRY DELEGATION ARRIVES**—Phnom Penh, 14 Apr (SPK)—A delegation of the GDR Ministry for Culture led by Deputy Minister Dr Friedhelm Grabe arrived in Phnom Penh last Thursday [10 April] for a visit to Cambodia at the invitation of the PRK's Ministry of Information and Culture. The delegation was greeted upon its arrival by Him Chhem, DPR deputy minister of information and culture, and other cadres from the said ministry. Rolf Dach, GDR ambassador to the PRK, was also present. [Text] [Phnom Penh SPK in French 0406 GMT 14 Apr 86 BK] /9274

DELEGATION RETURNS FROM EAST BERLIN--Phnom Penh, 26 Apr (SPK)--A KPRP delegation returned to Phnom Penh this morning after attending the 11th Congress of the Socialist Unity Party of Germany (SED) held in Berlin recently. The delegation was headed by Men Sam-an, member of the DPRP Central Committee Political Bureau and chairman of the Central Committee's Organization Commission. It was greeted upon its arrival at Pochentong Airport by Mat Ly, member of the KPRP Central Committee Political Bureau; Yos Son, member of the DPRP Central Committee and vice chairman of the Central Committee's Foreign Relations Commission; Neou Samon, vice chairman of the Central Committee's Organization Commission; [word indistinct] officials. Rolf Dach, GDR ambassador to Cambodia, was also present. [Text] [Phnom Penh SPK in French 0412 GMT 26 Apr 86 BK] /9274

HENG SAMRIN GREET'S GDR'S HONECKER--Phnom Penh, 24 Apr (SPK)--Heng Samrin, general secretary of the KPRP Central Committee, sent warm congratulations to Erich Honecker on the occasion of his reelection to the post of general secretary of the SED Central Committee. In a message, the Cambodian leader expressed his conviction that under the clear-sighted leadership of the glorious SED party, headed by Erich Honecker, communists and the heroic German people will have new and greater successes in building an advanced socialist society in the GDR. The message wished Erich Honecker good health and shining success in his noble task. [Text] [Phnom Penh SPK in French 0359 GMT 24 Apr 86 BK] /9274

RETURNEES IN SIEM REAP--Phnom Penh, 7 Apr (SPK)--A total of 2,020 misled persons returned to the fold in 1985 in various localities of Siem Reap-Oddar Meanchey Province, 300 km northwest of Phnom Penh, bringing with them some rifles and a considerable amount of other war materiel. [Text] [Phnom Penh SPK in French 0426 GMT 7 Apr 86 BK] /9274

RETURNEES IN WEEK OF 27 MARCH--Phnom Penh, 9 Apr (SPK)--During the week ending 27 March, 95 misled men reported themselves to revolutionary authorities of various localities in the country, bringing with them 35 assorted arms and a quantity of war materiel. Twenty-one of these repentant returned in a group with 18 rifles in Moung Russel District, Battambang Province. [Text] [Phnom Penh SPK in French 1142 GMT 9 Apr 86 BK] /9274

RECENT AIR, SEA, LAND INTRUSIONS--Phnom Penh, 28 Apr (SPK)--During the 3d week of this month, Thai L-19, A-37, and F-5 aircraft carried out 12 reconnaissance flights over the Don Sar, Ku village, and Yeang Dangkum areas. Three of these flights were reported between 4 and 6 km inside Cambodia's airspace. For their part, Thai ships conducted a total of 228 intrusions into sectors from 10 to 70 km from Kaoh Kong and Poulo Wai. Also during the week, several groups of reactionary Cambodians infiltrated across the border into Cambodia. They were intercepted by Cambodian border guards who put out of action 357 of them, including 74 who were captured and 97 who surrendered. Cambodia's armed forces seized 144 assorted weapons and a quantity of other war materiel. [Text] [Phnom Penh SPK in French 0444 GMT 28 Apr 86 BK] /9274

**'MISLED' PERSONS RETURN**--Phnom Penh, 30 Apr (SPK)--During the week ending 17 April, 127 misled persons presented themselves to revolutionary authorities in various localities bringing with them 76 assorted weapons. These men received all the necessary assistance to celebrate the Cambodian new year. This success is due to intense activities undertaken by the national proselytizing committee among misled persons and by all levels of revolutionary authorities with the participation of people from all walks of life in the clement policy of the party and state. [Text] [Phnom Penh SPK in French 0429 GMT 30 Apr 86 BK] /6662

**CONDOLENCES TO MPR PREMIER**--Phnom Penh, 1 May (SPK)--At the news of damage due to prairie fires in two MPR provinces, which seriously affect the country's animal husbandry, Hun Sen, chairman of the PRK Council of Ministers, recently addressed a sympathy message to his MPR counterpart Dumaagiyn Sodnom. The Cambodian leader expressed his conviction that the fraternal Mongolian people will certainly overcome this difficult circumstance and normalize their life. [Text] [Phnom Penh SPK in French 0444 GMT 1 May 86 BK] /6662

**INDIAN PRESIDENT GREETED**--Phnom Penh, 5 May (SPK)--Heng Samrin, chairman of the Council of State of the PRK, sent warm greetings to his Indian counterpart, His Excellency G. Zail Singh, on the occasion of his 70th birthday. In his message, Chairman Heng Samrin wrote: "On behalf of the PRK Government and in my own name, I would like to send your excellency my best wishes for good health, happiness, a long life, and more and greater successes in your noble task." [Text] [Phnom Penh SPK in French 0418 GMT 5 Apr 86 BK] /6662

**'FRIENDSHIP VISIT' TO INDIA**--Phnom Penh, 5 May (SPK)--A delegation of the Cambodian Ministry of Information and Culture led by Minister Chheng Phon recently paid an official friendship visit to the Republic of India. During its stay, the Cambodian delegation exchanged with the Indian party documents concerning the conservation of the temples of Angkor Wat. A banquet was organized in honor of the Cambodian delegation by Mrs Sushila Rohatgi, Minister of State for Education and Culture. The delegation also visited several states of the Republic of India.

CSO: 4219/36



## NHAN DAN WELCOMES NEW SOVIET PEACE INITIATIVE

OW200815 Hanoi VNA in English 0732 GMT 20 Apr 86

[Text] Hanoi, 20 Apr (VNA)—NHAN DAN in an article today voices full support for the latest Soviet disarmament initiative put forth by party General Secretary Mikhail Gorbachev in his address to the 11th Congress of the Socialist Unity Party of Germany in Berlin on 18 April.

The paper says that the Soviet initiative for substantial reductions of the conventional armaments and armed forces of the European states and the military contingents of the United States and Canada in Europe has once again demonstrated the Soviet Union's well-meaning stance as well as its efforts for a durable peace in Europe and the world as a whole.

That initiative is of greater significance now that the U.S.-led imperialist forces are stepping up their arms race, surrounding the Soviet Union and the other socialist countries in Europe with very big forces armed with modern mass destruction weapons and intoxicated with revanchist ideas, neo-fascism and a hostile and warmongering policy, the paper notes.

The paper goes on by saying that initiative is the imperative measure to be taken to ward off the danger of a war and maintain detente in Europe. It, as Mikhail Gorbachev said, stems from the Soviet state's consistent policy of peace in conformity with the aspirations of all nations and the high sense of responsibility for the destiny of the European nations to prevent the danger of a nuclear war.

After condemning the United States and its allies for running counter to the aspiration for peace of the progressive peoples in the world, the paper says that all the peace initiatives, proposed so far by the Soviet Union, have helped better identify the builder and the saboteur of peace on this planet.

The Vietnamese fully support the Soviet peace initiatives for peace and security of nations in the world, the paper says in conclusion.

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CSO: 4200/936

## CSSR ENVOY BRIEFS JOINT COMMITTEE ON 17TH PARTY CONGRESS

OW241924 Hanoi VNA in English 1506 GMT 24 Apr 86

[Text] Hanoi VNA April 24--A talk on the success of the 17th Congress of the Communist Party of Czechoslovakia (CPC) was held here today.

Speaking at the talk, jointly sponsored by the Vietnam Committee for Friendship and Solidarity with other peoples and the Vietnam-Czechoslovakia Friendship Association, Czechoslovak Ambassador B. Handl briefed the audience on the main contents of the political report and other documents presented at the congress and highlighted Czechoslovak people's determination to carry out the congress's resolutions.

He reaffirmed Czechoslovakia's friendship with the Soviet Union, Vietnam and other socialist countries and wished the Vietnamese people still greater achievements in socialist development and national defence, especially in their preparations for the coming 6th Congress of the Communist Party of Vietnam.

In reply, Trinh Ngoc Thai, deputy head of the CPV Central Committee's International Department and Secretary General of the Vietnam Committee for Friendship and Solidarity with other peoples, acclaimed the success of the 17th CPC Congress and (?wished) the Czechoslovak people brilliant success in implementing the resolutions set forth by the congress.

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CSO: 4200/948

## HOANG TUNG MARKS SED ANNIVERSARY IN HANOI

OW211/19 Hanoi VNA in English 1456 GMT 21 Apr 86

[Text] Hanoi, 21 Apr (VNA)--A meeting was arranged at the Nguyen Ai Quoc Higher Party School here this morning in celebration of the 40th anniversary of the Socialist Unity Party of Germany (SED) and the centenary birthday of Ernst Thaelmann.

Present on the occasion were Hoang Tung, secretary of the Communist Party of Vietnam Central Committee; Nguyen Thanh Le, deputy director of the Institute of Marxism-Leninism; Phan Dinh Vinh, deputy head of the international department of the party Central Committee; Le Quang Vinh, deputy director of the school; and others.

Charge d'Affaires A.I. Lethar Suener and other staff members of the GDR Embassy in Hanoi attended the meeting.

After an inaugural speech by Hoang Tung, Le Quang Vinh delivered a speech recalling the founding and the growth of the SED and the development of the German Democratic Republic.

"Over the past 40 years," he said, "under the clear-sighted leadership of the SED, the industrious, courageous and creative labouring people of the GDR overcoming many difficulties and hardships, successfully carried out the tasks of democratic revolution against fascism and of the socialist revolution, and built the GDR into an all-sidedly developed socialist country with a modern industry and agriculture and an advanced science and technology, and a constantly improved material and cultural life."

About Ernst Thaelmann, he said: "Ernst Thaelmann was an outstanding leader of the German Communist and people. As a party leader, right in 1930 he wrote a statement about the national and social liberation in Germany. As a leading member of the Comintern, Comrade Ernst Thaelmann creatively contributed to the compilation of the strategies and tactics of the international communist and workers' movement."

Addressing the participants L. Suener reiterated the firm solidarity and close cooperation of the GDR party, state and people with the Vietnamese people. He expressed satisfaction at the unceasing consolidation and development of the fine relations between the two peoples.

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CSO: 4200/936

## NHAN DAN EDITORIAL MARKS LENIN ANNIVERSARY

OW221041 Hanoi VNA in English 0700 GMT 22 Apr 86

[Text] Hanoi, 22 Apr (VNA)--"Let's learn from the thoughts, virtues and life style of V.I. Lenin," says the national daily NHAN DAN in an editorial today commemorating the 116th birth anniversary of the great leader of the world revolution.

The paper says: "To realistically celebrate Lenin's birth anniversary, the entire party, people and army of Vietnam have striven to learn from his thoughts, virtues and life style so as to successfully fulfill their immediate important tasks: effectively implement the resolutions of the 8th and 9th plenums of the party Central Committee, gradually stabilize the socio-economic situation and make good preparations for the 6th Party Congress."

It goes on: "It is necessary now to launch a revolutionary movement of the masses to help overcome all difficulties, boost production, and increase productivity, the quality of products and economic efficiency. It is also necessary to practice economy in production and life, step by step stabilize the circulation and distribution of goods, and ensure the autonomy of the grassroots economic units in production and business."

NHAN DAN also calls on the Vietnamese people and army to constantly heighten their vigilance, push ahead their struggle against Chinese expansionism and hegemonism acting hand-in-hand with U.S. imperialism, persistently fight for national defence, and fulfill their obligations towards the fraternal Lao and Kampuchean peoples.

"The Vietnamese people have always united and comprehensively cooperated with the Soviet Union and the other fraternal socialist countries and with other peoples of the world in struggling against the policy of arms race, aggression, intervention and terrorism of U.S.-led imperialism, and for peace, national independence and socialism," the paper stresses.

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CSO: 4200/936

## BRIEFS

**BULGARIAN AMBASSADOR'S FAREWELL**--Hanoi, 14 Apr (VNA)--Bulgarian Ambassador to Vietnam Filip Velko Markov today called on Nguyen Huu Tho, vice-president of the State Council and chairman of the National Assembly, before leaving for home for a new assignment. Chairman Nguyen Huu Tho had a cordial talk with the Bulgarian diplomat. [Text] [Hanoi VNA in English 1550 GMT 14 Apr 86] /9604

**PRK PROVINCIAL COOPERATION**--Hanoi, 14 Apr (VNA)--The southwestern border province of Long An and its Kampuchean twinned province by Svay Rieng made substantial achievements in cooperation in various fields last year. Long An helped Svay Rieng build a general department store at its provincial town and delivered it with consumer goods. In the 1985 summer-autumn crop, Long An supplied Svay Rieng with high-yielding, short-term rice strains for growing on 500 ha and helped it test-plant groundnuts successfully. A bridge and a sluice gate were completed there with Long An's assistance. Also in 1985 Long An sent to Svay Rieng a quantity of cement, beer, and medicines in exchange for pork and other agricultural products. Long An also sent 13 experts to help Svay Rieng develop agriculture, small industry, trade, public health care, etc. In addition, hundreds of Kampuchean workers and technicians were trained in Long An. Many patients from Svay Rieng were given free treatments in Long An hospitals. [Text] [Hanoi VNA in English 1542 GMT 14 Apr 86] /9604

**UNICEF COOPERATION WORKSHOP**--Hanoi, 14 Apr (VNA)--The Hanoi-based UNICEF office organized a workshop here from 7-12 April to review its work in Vietnam from 1980-86 and work out a program of cooperation for the 1987-91 period. The workshop was attended by representatives of various central and local bodies, and UNICEF officials in Vietnam. [Text] [Hanoi VNA in English 1549 GMT 14 Apr 86] /9604

**CAMBODIAN STUDENTS**--Hanoi, 17 Apr (VNA)--Some 300 Kampuchean students now studying at 22 universities and secondary schools in Ho Chi Minh City jubilantly celebrated the Chom Chnang Thmei, the new year festival of Kampuchea, from 13-15 April. On this occasion, a chapter of the Vietnam-Kampuchea Friendship Association was set up at the College of Finance and Accountancy in Ho Chi Minh City, bringing the number of the association's chapters in the city to 25, of which 15 belong to universities and secondary schools with Kampuchean students attending. [Text] [Hanoi VNA in English 0700 GMT 17 Apr 86] /9604



25TH CONGRESS OF BELGIAN CP--Hanoi, 18 Apr (VNA)--The Communist Party of Vietnam Central Committee today extended its greetings to the 25th Congress of the Communist Party of Belgium (CPB). The message of greetings praises the Communist Party of Belgium's stubborn struggle against the U.S.-led imperialists who are obstinately pursuing the policy of confrontation and armament, and for peace, security and cooperation among nations. The CPB is simultaneously carrying out an untiring struggle against the Belgian monopoly capitalists reactionary policy of shifting all consequences of economic crisis onto the working people, the message says. "The CPB," it notes, "has played a leading role in the struggle for the fundamental rights of the Belgian working class and labouring people, and made active contributions to the common struggle of the people in Europe and in the world as a whole for peace, national independence, democracy and socialism." "We are convinced that in the light of the resolutions to be adopted at the 25th Congress, the CPB will be further consolidated and strengthened and your just struggle will bring in new successes." The message wishes the friendship and solidarity between the two parties and peoples further consolidation and development. [Text] [Hanoi VNA in English 1456 GMT 18 Apr 86] /9604

SUPPORT FOR LIBYA--Hanoi, 18 Apr (VNA)--The Vietnam Lawyers' Association has issued a statement expressing its strong indignation at the new U.S. acts of aggression against Libya. The statement said: "By attacking Libya twice within a month, the United States has proved itself to be pursuing a policy of state terrorism, using force in international relations." The Vietnam Women's Union in a message to Colonel M. al-Qadhdhafi, president of the Socialist People's Libyan Arab Jamahiriya, voiced its full support to the just struggle of the people of Libya and other Arab countries and demand that the Reagan administration put an immediate end to its acts of aggression against Libya. The Hanoi Committee of the Vietnam Fatherland Front and the Committee for Solidarity and Friendship With Other Peoples have sent messages to the People's Bureau of the Socialist People's Libyan Arab Jamahiriya in Hanoi expressing their full support to the Libyan people's struggle against U.S. aggression. Delegations of the Hanoi chapters of the Vietnam Women's Union and the Ho Chi Minh Communist Youth Union have called at the Libyan People's Bureau here for the same purpose. The Hanoi youth held a meeting today in support of the just struggle of the youth and the entire people of Libya. [Text] [Hanoi VNA in English 1551 GMT 18 Apr 86] /9604

SOVIET COAL MINISTER'S VISIT--Hanoi, 18 Apr (VNA)--A delegation of the Soviet Ministry of Coal Industry led by its Minister M.I. Shchadov, member of the CPSU Central Committee, paid a 5-day visit to Vietnam ending yesterday, at the invitation of the Vietnamese Ministry of Mines and Coal. During its stay in Vietnam, the delegation paid tribute to President Ho Chi Minh at his mausoleum and visited his home and office. It had working sessions with a delegation of the Vietnamese Ministry of Mines and Coal led by Minister Nguyen Chan, alternate member of the CPV Central Committee. The minutes of the sessions on cooperation between the two sides for 1986-90 were signed by M.I. Shchadov and Nguyen Chan Thursday. The Soviet delegation made a tour of coal enterprises in Quang Ninh Province. [Text] [Hanoi VNA in English 1548 GMT 18 Apr 86] /9604



AMITY GROUP HONORS LENIN--Hanoi, 18 Apr (VNA)--A talk was given here today by the Vietnam-USSR Friendship Association and the Institute of Marxism-Leninism in honor of the 116th birthday of V.I. Lenin. It was attended by Nguyen Vinh, member of the party Central Committee, director of the sponsor institute and president of the Vietnam-USSR Friendship Association; Trinh Ngoc Thai, deputy head of the party Central Committee's international department, and others. I.N. Miakotnykh, Soviet charge d'affaires A.I., A.X. Zakalin, head of a visiting delegation of the USSR Academy of Sciences, and other Soviet guests, were also present. Nguyen Vinh spoke of the life and revolutionary cause of V.I. Lenin and his great contributions to the struggle of the world working class and laboring people. On this occasion, A.A. Khandrup, associate professor of the Institute of Economics under the USSR Council of Ministers, and Associate Professor A.X. Zakalin, introduced the main points of the policy of economic development in the Soviet Union and the ideological work to be carried out by the Communist Party of the Soviet Union in the light of the resolutions of the 27th Congress. [Text] [Spellings of Soviet names as received] [Hanoi VNA in English 1520 GMT 18 Apr 86] /9604

GIRON VICTORY ANNIVERSARY--Hanoi, 18 Apr (VNA)--A talk was arranged here this morning to mark the 25th anniversary of the Giron Beach victory of Cuba (19 April). The talk, co-sponsored by the Vietnam Committee for Solidarity and Friendship With Other Peoples and the Vietnam-Cuba Friendship Association (VCFA), was attended by representatives of the central and Hanoi offices and mass organizations. Cuban Charge d'Affaires A.I. Mrs Sicilia Fernandez and staff members of the Cuban Embassy here were also present. Do Van Tai, deputy head of the international department of the party Central Committee and vice-president of the VCFA, spoke of the Giron historic victory, and the achievements recorded by the fraternal Cuban people over the past 25 years. He praised the Cuban people's staunch revolutionary spirit and condemned the U.S. hostile policy against Cuba. On this occasion, the Vietnam Committee for Solidarity and Friendship With Other Peoples and the Vietnam-Cuban Friendship Association have sent congratulatory messages to the Cuban Institute of Friendship With the Peoples and the Cuba-Vietnam Friendship Association. [Text] [Hanoi VNA in English 1545 GMT 18 Apr 86] /9604

AAPSO COMMITTEE GREETs SWAPO--Hanoi, 19 Apr (VNA)--The Vietnam AAPSO Committee today extended its warm greetings to the South West Africa People's Organisation (SWAPO) on its 26th anniversary. The message said: "We renew the full support of the Vietnamese people to the just cause of the Namibian people. We join all progressive people in the world in denouncing that the apartheid regime in South Africa and its master--U.S.-led imperialism--end at once their occupation of Namibia, return real independence to the Namibia people in conformity with the resolution No 435 of the United Nations, and stop all acts of aggression against the front-line nations in Africa." The message expressed its firm belief that the Namibian people, despite (?shortages) and hardships ahead, will win complete victory in their struggle under the leadership of the SWAPO. [Text] [Hanoi VNA in English 1609 GMT 19 Apr 86] /9604

GDR FILM SHOW--Hanoi, 20 Apr (VNA)--A film show has been given here by GDR Charge d'Affaires A.I. Lethar Suener on the 40th anniversary of the Socialist Unity Party of Germany (SED) and a centenary birthday of Ernst Thaelmann, leader of the German and international workers' movement. Hoang Tung, secretary of the Communist Party of Vietnam Central Committee, was present on the occasion. Speaking on the event, the GDR diplomat stressed that Ernst Thaelmann had devoted his whole life to the building of the Communist Party of Germany, predecessor of the SED, into a genuine Marxist-Leninist party to perform its historical role as a decisive factor in leading the struggle to overthrow the bourgeois domination and establish a worker-peasant state. It is also the goal which has been striving for by the SED in leading the GDR people to successfully build a developed socialism in the homeland of K. Marx, F. Engels and E. Thaelmann. [Text] [Hanoi VNA in English 1509 GMT 20 Apr 86] /9604

UK AMBASSADOR CELEBRATES QUEEN'S BIRTHDAY--Hanoi, 21 Apr (VNA)--Richard Gilbert Tallboys, ambassador of the United Kingdom of Great Britain and Northern Ireland to Vietnam, gave a reception here today in honor of the birthday of Elizabeth II (21 April). Among his guests were Vice Minister of Agriculture Nguyen Dang, and Assistant to the Foreign Minister Le Mai. Members of the diplomatic corps and international organizations in Vietnam were also present. [Text] [Hanoi VNA in English 1455 GMT 21 Apr 86] /9604

ORGANIZATIONS SUPPORT LIBYAN PEOPLE--Hanoi, 22 Apr (VNA)--"To use violence to invade a sovereign country is a gross defiance of international laws, morality and the aspiration of humankind to live in peace, thus going against God's will." This came in a statement issued on 18 April by the Committee for Solidarity of Patriotic Vietnamese Catholics, condemning the U.S. acts of aggression against Libya. The statement further said: "We call on all Vietnamese Christians to actively respond to and participate in the struggle for peace and the life of all human beings, join in the peace movement of the peoples of the world, first of all, demonstrate solidarity with the Libyan people, victims of the new aggressive acts of the Reagan administration." The Democratic Party of Vietnam (DPV) has also voiced its strong indignation against the U.S. aggression against Libya. The DPV, in a recent statement, demanded that the United States immediately stop all its military acts against Libya, withdraw its forces in the Mediterranean Sea away from Libya's territorial waters and strictly respect its independence, sovereignty and territorial integrity." [Text] [Hanoi VNA in English 1453 GMT 22 Apr 86] /9604

SOVIETS DISCUSS CPSU CONGRESS--Hanoi, 22 Apr (VNA)--A talk on the success of the 27th Congress of the Communist Party of the Soviet Union was held here recently by the Ministry of Secondary Vocational and Higher Education. Counsellor Ali Zade, First Secretary Septrenco, and Third Secretary Cuisenkov [spelling of names as received], of the Soviet Embassy here, gave reports on the main points of the political program of the 27th Congress. The three Soviet diplomats also gave talks on the 27th CPSU Congress at several colleges in Bac Thai Province, some 50 km north of Hanoi, and at the Jose Marti College of Agriculture. [Text] [Hanoi VNA in English 1456 GMT 22 Apr 86] /9604

**SRV DELEGATION AGREEMENT**--An SRV tourism delegation led by Comrade (Tran Quoc Huong), member of the CPV Central Committee and chairman of Vietnam's Tourism General Department, arrived in Phnom Penh on 2 May to sign an agreement on cooperation in tourism between the SRV and the PRK. After its arrival, the delegation attended a discussion and exchange of experiences on development of tourism between Cambodia and Vietnam with the head of Cambodia's tourism delegation led by Comrade Preap Pichey, deputy minister attached to the Cabinet of the Council of Ministers, in a bid to further consolidate and expand this sector. [Text] [Phnom Penh Domestic Service in Cambodian 0430 GMT 5 May 86 BK] /9738

**BLAST AT U.S. CONSULATE**--According to AFP, a bomb explosion was reported at the U.S. Consulate in Songkhla town in southern Thailand. The building was seriously damaged. The Thai interior minister, Sitthi Chirarot, said that the bomb explosion might have been caused by a group of anti-U.S. movement. [Text] [Hanoi International Service in English 1000 GMT 23 Apr 86 BK]

**PRK POSTAL COOPERATION**--Hanoi VNA 24 Apr--A protocol on postal cooperation between Vietnam and Kampuchea for 1986 was signed in Ho Chi Minh City yesterday. Signatories were Truong Van Thuan, deputy director of Vietnam's General Post Office, and Kim Seap, Kampuchean vice minister of transport and post, currently on a visit to Vietnam. Under this protocol, Vietnam's postal service will supply Kampuchea with postal equipment and help it in personnel training. The two sides will upgrade the Phnom Penh-Ho Chi Minh City communications line and promote cooperation in various fields of the postal service. [Text] [Hanoi VNA in English 1541 GMT 24 Apr 86 OW]

**U.S. RAID ON LIBYA CONDEMNED**--Hanoi VNA April 24--A mass meeting has been held here recently under the sponsorship of the Institute of National Economy in support of the Libyan people's struggle against the U.S. aggression. The participants at the meeting voiced their vehement condemnation of the recent U.S. bombings of the Libyan capital of Tripoli and expressed their approval of the April 14 statement of the Vietnamese Government over the matter. Meanwhile other mass meetings have been organized by the Ho Chi Minh City's branches of the Vietnam Fatherland Front, the Vietnam Committee for Solidarity and Friendship with other peoples, the Vietnam Peace Committee, the Vietnam Women's Union...to express the city people's solidarity with and support for the just struggle of the Libyan people. [Text] [Hanoi VNA in English 1605 GMT 24 Apr 86 OW]

**SUPPORT FOR INDOCHINESE NATIONS**--Hanoi VNA April 24--Czechoslovakia fully supports the principled foreign policy of Vietnam and the other Indochinese countries and their efforts to bring about peace and stability to Southeast Asia. This was stated by Czechoslovak Deputy Foreign Minister Jindrich Rehored at a reception given to Vietnamese Ambassador to Czechoslovakia Nguyen Phu Soai in Prague yesterday. The two sides also exchanged views on the enhancement of bilateral relations and on the present situation in Southeast Asia. [Text] [Hanoi VNA in English 1504 GMT 24 Apr 86 OW]

SINO-THAI 'COLLUSION'--Hanoi, 23 Apr (VNA)--The army paper QUAN DOI NHAN DAN today runs a commentary under the title "Thief Crying Stop Thief" criticizing the Beijing-Bangkok collusion in slandering Vietnam. It says: "The Beijing and Bangkok propaganda machinery are joining in the same chorus about 'Vietnam violating Thai territory' and conducting armed provocations against Thailand. It is neither Vietnam nor Kampuchea, but Thailand itself which has carried out acts of armed provocation. Bangkok's slanderous allegations backed by Beijing are aimed at covering up its own provocations against Kampuchea and violation of Kampuchean territory," the paper stresses. It continues: "Since the beginning of this year, several ships loaded with ammunition and weapons have been sent from China via Thailand to the Khmer reactionaries. Beijing and Bangkok by their actual deeds are trying to evade dialogues and a negotiated settlement of the Kampuchea issue." [Text] [Hanoi VNA in English 0727 GMT 23 Apr 86] /9604

ARMY DAY SCREENING--Hanoi VNA April 24--A film show was arranged here this evening by Kim Chong-Song, ambassador of the Democratic People's Republic of Korea to Vietnam, in honour of the 54th army day of his country (April 25). It was attended, among others, by Lieutenant General Dinh Van Tuy, commander of the border army; Trinh Ngoc Thai, deputy head of the party central committee's international department; and Major General Vu Xuan Vinh, head of the international department of the ministry of national defence. [Text] [Hanoi VNA in English 1550 GMT 24 Apr 86 OW]

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CSO: 4200/948



## BRIEFS

LENIN'S BIRTHDAY FETED--Hanoi, 20 Apr (VNA)--A Communist Labour Day was organized at the construction site of the Ho Chi Minh Museum here this morning in celebration of the 116th birthday of V.I. Lenin today. The participants included Phan Ngoc Tuong, alternate member of the Communist Party of Vietnam Central Committee and minister of construction, Truong Tung, vice chairman of the Hanoi People's Committee, and I.N. Miakotnykh, Soviet charge d'affaires A.I. Also on this occasion, a voluntary labour day was held today at the construction site of the Hoa Binh hydroelectric power plant and in the central Vietnam province of Quang Nam-Da Nang with the participation of tens of thousands of Vietnamese cadres and workers and Soviet experts. [Text] [Hanoi VNA in English 1518 GMT 20 Apr 86] /9604

CSO: 4200/936

## MORE VIETNAMESE MOVE TO NEW ECONOMIC ZONES

OW221922 Hanoi VNA in English 1441 GMT 22 Apr 86

[Text] Hanoi, 22 Apr (VNA)—From 1981-85, more than 20,000 people including 10,500 workhands in Hai Hung Province, some 60 km east of Hanoi, resettled in new economic zones in the northern border provinces of Quang Ninh and Son La, the central highlands provinces of Gia Lai-Kon Tum, Darlac and Lam Dong, and the Mekong River Delta provinces of Dong Nai, Long An and Soc Trang.

This year, the thickly populated province of Hai Hung in the Red River Delta plans to send about 28,900 people including 11,000 workhands to the new economic zones.

The midland province of Vinh Phu is striving to resettle from 25,000-30,000 workhands from its densely-populated areas to new economic zones inside or outside the province. Every year, about 29,000 people come of working age in Vinh Phu Province, but they mostly live in overcrowded urban centers. This year, the province plans to move some 4,000 workhands from these centers to new economic zones in its mountain regions.

In the first quarter of 1986, nearly 4,000 people in the central coastal province of Nghia Binh of whom 2,334 were farmhands, were moved to the central highlands province of Lam Dong for sedentary farming. This represents almost 56 percent of its 1986 plan, for population resettlement. Over the past 10 years, Nghia Binh has helped 600,000 people in the former U.S.-puppet concentration camps in the province to go back to their native villages. At the same time, it has resettled about 160,000 people to new economic zones inside or outside the province.

While admitting new settlers from other provinces, the central highlands province of Lam Dong has, since early this year, moved about 1,000 families including 2,300 workhands from its populous areas to new economic zones within the province for the growing of industrial crops such as coffee, tea, and rubber.

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CSO: 4200/936



## BRIEFS

TEA GROWERS' REORGANIZATION--Hanoi, 14 Apr (VNA)--All tea-growing and processing establishments in Vietnam have been united into a single organization known as the Vietnam Union of Agro-Industry Tea Enterprises. The union is working with the provinces concerned in checking the existing tea acreage and planning to put new areas under the tea production in cooperation with other member countries of the Council for Mutual Economic Assistance. At present, growing areas are concentrated in the northern mountain and mid-land provinces of Hoang Lien Son, Ha Tuyen, Bac Thai, and Vinh Phu, the central provinces of Thanh Hoa and Nghe Tinh, and the central highlands provinces of Gia Lai-cong Tum and Lam Dong. Two regions, each of 5,000 hectares, have been marked off for tea production under a Vietnam-USSR cooperation program. They are Nam Linh in Lam Dong Province and Darlac-cong Rum in Gia Lai-cong Tum Province. [Hanoi VNA in English 0716 GMT 14 Apr 86] /9604

MAIZE FARMING--Hanoi, 11 Apr (VNA)--Vietnam's maize hectareage has reached over 400,000 hectares in recent years, up by 1.5 times compared with the 1975 figure. The areas under maize in the eastern and central highlands provinces in south Vietnam were expanded remarkably thanks to land reclamation after liberation. The country's maize output in 1985 was 59,500 tons with a yearly increase of 7 percent. Meanwhile, the average yield of this crop was 1.4 tons per hectare, presenting a yearly increase of 6 percent. In the period 1976-80, the increased maize output was due to the enlarged hectare. But in the period 1981-85, the increase was attributed to technical application to intensive farming, including the better use of high-yielding hybrid varieties. Intensive farming has been practised in many large maize-growing areas in recent years. In 1985, some cooperatives on the outskirts of Hanoi grew nearly 10,000 ha and got an average yield of 2.8 tons per hectare, particularly Dan Phuong District brought in 4 tons per hectare. Meanwhile the average yield was 1.5 tons in northern mountain province of Cao Bang and 2.3 tons in the central highland province of Lam Dong. It is planned to increase the country's maize hectare to 50,000 ha with the total output of 1 million tons by 1990. [Text] [Hanoi VNA in English 0743 GMT 11 Apr 86] /9604

PRODUCTION MOVEMENT REVIEWED--A conference to review the emulation movement in 1985 in the nine Mekong River Delta provinces was recently held in the province of Hau Giang. Ben Tre Province was chosen as banner bearer in the movement. The conference asserted that over the past 5 years, thanks to this movement, the Mekong Delta provinces have overcome many difficulties in boosting agricultural production. Collectivization was basically completed in these provinces in 1985. Millions of peasants there are applying intensive farming methods, building irrigation projects, and planting new, high-yield rice strains. [Text] [Hanoi International Service in English 1000 GMT 19 Apr 86] /9604

DISTRICT'S FOOD EXPORTS--Hanoi VNA 24 Apr--Tam Diep District in Ha Nam Ninh Province has become a leading district in the export of peanuts. Though 70 percent of its cultivated land are acidic and saline, in 1985 Tam Diep exported 1,450 tons of peanuts, 230 tons more than the previous year. Per-head food output of the district was almost 350 kilos in 1984. The district sold the state 8,000 tons of paddy in the same year. It now has more than 30,000 pigs and 8,000 buffaloes. It has completed zoning for peanut planting and plans to expand peanut acreage to 1,300 hectares this year including 100 hectares of hilly land. Besides, the district has 400 hectares of potatoes, and 100 hectares of tobacco. The value of agricultural products for export accounts for 51 percent of the district's export value. [Text] [Hanoi VNA in English 1610 GMT 24 Apr 86 OW]

VNA REPORTS SRV FORESTRY IMPROVEMENTS--Hanoi VNA 30 Apr--Nearly 21,700 ha of assorted forests were planted in provinces in the first quarter of this year, increase of 30 percent over the corresponding period last year. Meanwhile the population planted 55 million trees at different places, up by 6 percent. Thanh Hoa Province, south of Hanoi, planted 7,520 ha of forest, topping the plan by 300 percent. So far, more than 96 tons of seeds and 34 million saplings have been prepared, enough to cover 20,000 ha more. In response to President Ho's call, a tree planting movement has been continuing throughout the country. In the first quarter of this year, the Haiphong port city and the northern provinces of Vinh Phu, Hoang Lien Son and Thanh Hoa planted between 1.5 and 3 million trees each. [Text] [Hanoi VNA in English 1529 GMT 30 Apr 86 OW/ 12228

CSO: 4200/975

## BRIEFS

HYDROELECTRIC POWER STATIONS--Hanoi, 14 Apr (VNA)--Last year, 201 new small hydroelectric power stations with a total capacity of 12,404 kw were put into operation throughout the country. These stations can generate 43 million kwh yearly, which means a savings of 12,000 tons of fuel. Technico-economic feasibility study is being conducted for nearly 70 other small hydroelectric power projects with a total capacity of 80,000 kw, while such study has been completed for another 38 small hydroelectric power stations with a total capacity of 40,100 kw. Almost all localities have drawn up maps to determine their hydroelectric potentials and marked off favourable sites for an early construction of their small hydroelectric power stations. [Text] [Hanoi VNA in English 0726 GMT 14 Apr 86] /9604

THERMOELECTRIC POWER PLANT--Hanoi, 20 Apr (VNA)--The Pha Lai Thermal-Electric Power Plant has generated 3 billion kwh since its first generator unit was put into operation in late 1983. So far, the three generator units commissioned at the plant have been functioning well. In 1984 and 1985, the plant overfulfilled its yearly plans by from 100-700 million kwh, and, in the first quarter of this year, it turned out nearly 507 million kwh, exceeding its plan by nearly 47 million kwh. At present, the fourth generator unit is being installed. The plant is striving to surpass its second quarter plan of 500 million kwh in honour of the centenary of the international labour day (1 May). [Text] [Hanoi VNA in English 0730 GMT 20 Apr 86] /9604

NEW CAR PRODUCTION--Hanoi, 20 Apr (VNA)--A new model of car "Saigon 86," has been put into mass production at the car enterprise "April 30" in Ho Chi Minh City. This five-seater, which is driven by a 32-hp engine imported from the French car company Citroen, has a tonnage of 350 kilograms. [Text] [Hanoi VNA in English 0729 GMT 20 Apr 86] /9604

CSO: 4200/936

## RADIO, WIRED-RADIO NETWORK DEVELOPS IN HAU GIANG

OW291030 Hanoi Domestic Service in Vietnamese 1100 GMT 28 Apr 86

[Text] Hau Giang Province has radio stations in all of its 14 districts and cities, and wired-radio stations in 117 villages, subwards, and towns--with two-thirds of them capable of picking up district radio station transmissions. The province has 189 wired-radio stations with 966 big loudspeakers, 16,000 family loudspeakers, 956 kms of transmission wire, nearly 3,000 radio listening cells, and more than 3,000 spots for public television viewing.

In order to develop its wired-radio network, Hau Giang has drawn experiences in building wired-radio station models in such areas as populous areas, remote rural areas, and sparsely populated areas, and in building a network of cells for radio listening and public television viewing. Vinh Chau and Phung Hiep Districts have helped villages build local wired-radio stations, ensuring that all the district villages have wired-radio stations capable of picking up and relaying district radio station transmissions. All the radio stations and wired-radio stations have paid attention to improving their program quality to better serve the local political tasks and radio listeners.

A number of radio stations, such as those in Can Tho Municipality and Soc Trang City, Thot Not District, have taken turns broadcasting on the medium frequency village and subward programs, in order to convey more information to the grassroots level. They have exchanged experience with friendly radio stations and learned from their experience.

The Hau Giang radio and wired-radio stations have also trained 200 transmitter operating workers, managers, editors, and reporters. As a result, the stations have operated regularly, and their quality is more or less even. In the first quarter of this year, seven district radio stations were rated fairly good or excellent; no stations were rated poor.

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CSO: 4209/483

## BRIEFS

CENTRAL HIGHLANDS EDUCATIONAL PROGRESS.--Hanoi, 16 Apr (VNA)--In the 1984-85 school year, the central highlands province of Da Lac enrolled 37,000 children of ethnic minorities, including 870 of secondary education. Before the liberation of South Vietnam in 1975, 95 percent of all people of ethnic minorities in the province were illiterate. Shortly after the reunification of the country in 1976, a program for eradication of illiteracy was implemented on a large scale to bring "cultural light" to the local people. Complementary education schools were built for adults and general education schools, for children. This educational progress was made possible by the adoption of a sedentary way of life and farming by nomadic people. Since the 1981-82 school year, the provincial education service started compiling the ethnic-Vietnamese bilingual textbooks for experimental teaching at some schools. Today Dac Lac has more than 10 schools of that kind with an enrollment of over 1,200 pupils from the 1st to 5th forms. The provincial education service and the Ho Chi Minh City University have cooperated in creating a script for the M'nong ethnic minority. M'nong-Vietnamese bilingual textbooks are being compiled and expected ready for teaching in a few years. [Text] [Hanoi VNA in English 1529 GMT 16 Apr 86] /9604

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